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312-750-8600

SUSAN G. LICHTENFELD

January 6, 1994

VIA FEDERAL EXPRESS

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Attention: Mrs. Mildred Lee, Room 2303

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303(a) are three original executed counterparts and two photostatic copies of the following Primary Document and two original executed counterparts and two photostatic copies of the following Secondary Documents:

Primary Document:

Loan and Security Agreement dated as of December 29, 1993 between Allied Enterprises, Inc. (Debtor) and Deutsche Credit Corporation (Secured Party), evidencing a security interest in 69 used 50 foot 70-ton boxcars described on Exhibit C to the Loan and Security Agreement.

Secondary Document:

Memorandum of Lease Agreement dated as of December 29, 1993 between Allied Enterprises, Inc. (Lessor) and Arkansas & Missouri Railroad Company (Lessee), memorializing a Lease Agreement relating to the 69 used 50 foot 70-ton boxcars

01/06/94
RHCH27:SLICHTE
46073-1.LTR

RECORDATION NO. 18680

FILED 1425

JAN 31 1994 - 11 45 AM

INTERSTATE COMMERCE COMMISSION

PARK AVENUE TOWER
65 EAST 55TH STREET
NEW YORK 10022-3219
212-421-5555

HOWARD AVENUE
SOMERSET NEW JERSEY 08873
908-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

RECORDATION NO. 18681

FILED 1425

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INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 18681

FILED 1425

JAN 31 1994 - 11 45 AM

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
January 6, 1994
Page 2

described in Schedule A to the
Memorandum of Lease Agreement.

Secondary Document: Assignment of Lease and Rents dated as
of December 29, 1993 from Allied
Enterprises, Inc. (Debtor) to Deutsche
Credit Corporation (Secured Party),
relating to the 69 boxcars described in
Exhibit A to the Assignment of Lease and
Rents, which Assignment of Lease and
Rents has been acknowledged pursuant to
the Acknowledgement and Notice of
Assignment executed by Arkansas &
Missouri Railroad Company attached
thereto and being filed therewith.

The names and addresses of the parties to the enclosed
documents are:

Secured Party:	Deutsche Credit Corporation 2333 Waukegan Road Deerfield, IL 60015
Debtor/Lessor:	Allied Enterprises, Inc. 107 North Commercial St. Springfield, AR 72764
Lessee:	Arkansas & Missouri Railroad Company 107 North Commercial St. Springfield, AR 72764

A description of the railroad equipment covered by the
enclosed documents is appended to this letter and is contained as
an exhibit or schedule to each of the above-referenced documents.

Enclosed are three checks, each in the amount of \$18.00,
payable to the order of the Interstate Commerce Commission,
covering the required recordation fee for the above-described
documents.

Interstate Commerce Commission
January 6, 1994
Page 3

Please return all stamped originals and one stamped photostatic copy of the enclosed documents and the stamped photostatic copy of this letter to Susan G. Lichtenfeld at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, IL 60601 or the bearer of this letter.

Very truly yours,


susan G. Lichtenfeld

SGL:ed
w/encl.

cc: Stephen P. Ordaz
Robert W. Kleinman

Interstate Commerce Commission
Washington, D.C. 20423

1/31/94

OFFICE OF THE SECRETARY

Susan G Lichtenfeld

Ross & Hardies

150 North Michigan Ave.

Chicago, IL. 60601

Dear Ms Lichtenfeld:

The enclosed document(s) was recorded pursuant to the provisions
of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303,
on 1/31/94 at 10:45am, and assigned
recording number(s). 18680 18681 & 18681-A

Sincerely yours,

Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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SUSAN G. LICHTENFELD

January 31, 1994

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NEW YORK, NEW YORK 10022-3219
212-421-5555

580 HOWARD AVENUE
SOMERSET, NEW JERSEY 08873
908-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

Mrs. Mildred Lee
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Room 2303
Washington, D.C. 20423

RECORDATION NO. 18680 FILED 1425
FEB -3 1994-225 PM
INTERSTATE COMMERCE COMMISSION

Re: Deutsche Credit Corporation

Dear Mrs. Lee:

This will confirm our conversation this morning, in which you informed me that this morning you filed the following documents and assigned the following recordation numbers:

- Loan and Security Agreement dated as of December 29, 1993 between Allied Enterprises, Inc. and Deutsche Credit Corporation - assigned recordation number 18680
- Memorandum of Lease Agreement between Allied Enterprises, Inc. and Arkansas & Missouri Railroad Company - assigned recordation number 18681.
- Assignment of Lease and Rents dated December 29, 1993 by Allied Enterprises, Inc. - assigned recordation number 18681-A.

You advised me that you have crossed reference these file numbers in the appropriate indexes. I am enclosing additional copies of this letter and I would appreciate your putting one copy of this letter in file no. 18680, another copy in file number 18681 and returning to me, file stamped by your office, the enclosed third copy of this letter.

01/31/94
RHCH27:SLICHTE
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JAN 31 1994 - 11 45 AM

INTERSTATE COMMERCE COMMISSION

LOAN AND SECURITY AGREEMENT

This LOAN AND SECURITY AGREEMENT ("Agreement") dated as of the 29th day of December, 1993 is by and between Allied Enterprises, Inc., a Delaware corporation ("Borrower") and DEUTSCHE CREDIT CORPORATION ("Lender").

WITNESSETH:

WHEREAS, Borrower has requested that Lender finance the purchase of up to Sixty-nine (69) used fifty (50) foot, seventy (70) ton box cars (the "Railcars");

WHEREAS, subject to the terms and conditions set forth herein, Lender will provide the financing requested by Borrower up to an amount equalling but not exceeding \$966,000.00 (the "Maximum Commitment Amount");

WHEREAS, funds up to or equalling the Maximum Commitment Amount will be advanced pursuant to the terms and conditions hereof;

WHEREAS, as part of this Agreement, it is anticipated that the Railcars will be leased to the Arkansas and Missouri Railroad Company ("A & M"), and that a collateral assignment of said lease will then be made to Lender;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

A. THE LOAN

A.1 The Loan Advance. Subject to fulfillment of the conditions specified herein, Borrower agrees to borrow from Lender and Lender agrees to lend to Borrower, an amount not to exceed the Maximum Commitment Amount (the "Loan Advance"), derived as follows:

The lesser of 80% of the purchase price of the Railcars as further outlined in the Purchase and Sale Agreement dated 12/29/93, by and between Borrower and Allied Railcar Company (hereinafter, the "Purchase and Sale Agreement") a copy of which is attached hereto as Exhibit A, or 80% of their "as is" appraised value, which is contained in the appraisal of Norman W. Seip & Associates, dated December 1, 1993, attached hereto as Exhibit B, (the "Appraisal"). The Railcars are as identified in Exhibit C, which is also attached hereto.

Subsequent to purchase by Borrower of the Railcars, and pursuant to a lease agreement with A & M (the "A & M Lease" and the "Lessee", respectively), the originals of which will be delivered and a collateral assignment of which shall be made to Lender, with all rights thereunder (the assignment of the A & M Lease will hereinafter be referred to as the "A & M Lease Assignment"), the Railcars

will be delivered to and leased by Lessee in accordance with the terms thereunder.

In consideration for Lender making the Loan Advance to Borrower, Borrower will deliver to Lender its Promissory Note in the form attached hereto as Exhibit D (the "Promissory Note") for the amount actually advanced to, for, or on behalf of Borrower in connection with this Agreement, which will be secured by, among other things, the Railcars, as provided under this Agreement and the Lease. The term of the Promissory Note shall be Sixty (60) months, and the rate of interest on the principal amount for the Promissory Note delivered by Borrower to Lender shall be 7.49% per annum. The other terms and conditions of the Promissory Note shall be as stated therein. Borrower shall also pay in connection with the Loan Advance, all of Lender's attorney's fees, costs associated with documentation, and costs for the appraisal, which amount in the aggregate shall not exceed \$10,000.00.

A.2 Conditions Precedent to Lender Making the Loan Advance. Lender shall make the Loan Advance to Borrower only in the event the following conditions are fulfilled to the satisfaction of Lender and its counsel:

(1) On or prior to the closing for the Loan Advance (hereinafter, the "Loan Advance Closing"), copies of the following documents shall have been delivered to each party hereto, with fully executed original counterparts delivered to Lender:

- (a) this Agreement;
- (b) a certificate in the form attached hereto as Exhibit E, reflecting the purpose of the Loan Advance, and a request by Borrower to Lender for Lender to make the Loan Advance (hereinafter, the "Loan Advance Certificate");
- (c) the Promissory Note, in the form of Exhibit D, attached hereto; and
- (d) a Pay Proceeds Letter, if applicable, in the form of Exhibit F, attached hereto.

(2) On or prior to the Loan Advance Closing, Lender shall have also received:

- (a) certified copies of the appropriate proceedings of the board of directors of Borrower with respect to this Agreement, the Promissory Note, and the other instruments contemplated herein and therein and to the execution, delivery and performance thereof by the respective parties;
- (b) certified copies of the corporate organizational documents of Borrower, including, but not limited to, certified copies of the by-laws thereof,
- (c) incumbency certificate of Borrower with respect to all of its duly elected officers in the form attached hereto

- (n) the insurance certificate (covering the Railcars) attached hereto as Exhibit N;
- (o) Opinion of Counsel to Borrower in the forms attached hereto as Exhibit O, satisfactory to Lender;
- (p) such Uniform Commercial Code financing statement(s) as may be required by Lender, together with the Uniform Commercial Code searches showing no prior interest of any party in the Railcars or in any lease or other proceeds thereof;
- (q) a copy of the most recent audited financial statements of the Arkansas & Missouri Railroad Company Inc. and unaudited consolidated financial statements of Borrower for the most recent fiscal year, certified by an officer of Borrower, and such other interim, unaudited financial statements and information regarding Borrower as may be requested by Lender;
- (r) such other opinions, approvals, certificates, agreements or other documents as Lender may reasonably request;
- (s) evidence satisfactory to Lender in its reasonable discretion of the manufacture date of the Railcars;
- (t) payment of fee as outlined in Sec. A.1, above;

(3) Lender shall have received such evidence of fulfillment of the foregoing conditions of this Section A.2 including, without limitation, opinions of counsel or certificates of officers of Borrower, public officials and others, as Lender or its counsel may reasonably require to establish to its satisfaction the fulfillment of such conditions.

(4) Lender's obligation to make the Loan Advance (i) shall not be prohibited by any applicable law or governmental regulation, (ii) shall not subject Lender to any penalty, or in its reasonable judgment, other onerous conditions under or pursuant to any applicable law or governmental regulation, and (iii) shall be permitted by laws and regulations of the jurisdictions to which Lender is subject. If requested by Lender, Borrower shall have delivered to Lender factual certificates or other evidence reasonably available to Borrower, in form and substance satisfactory to Lender, to enable Lender to establish compliance with this condition, to the extent such compliance relates to the nature, condition, action or inaction of Borrower.

(5) For purposes of this Agreement, the term "Permitted Encumbrances" shall mean: (i) the interests of Allied Railcar Company and Chrysler Rail Transportation Corporation in and to the Railcars, which interests shall be extinguished by way of the sale of Railcars on or prior to the Loan Advance Closing; (ii) the security interest created by this Agreement; (iii) liens and taxes either not yet due or being contested in good faith and by appropriate proceedings diligently conducted so long as such proceedings shall stay the enforcement thereof and the sale or forfeiture of the Railcars or any part thereof or interest therein and so long as Borrower has provided Lender with a bond or other collateral security satisfactory to Lender in an amount not less than the amount of the lien; (iv) undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or employees' liens or other like liens arising in the ordinary course of business and securing obligations which are not

delinquent or which shall have been bonded or the enforcement of which shall have been suspended; and (v) interests arising under the A & M Lease, which by acknowledgment from the Lessee, shall be inferior to those interests of Lender for the term of this Agreement or the Promissory Note, or any extension thereof.

A.3 Representations, Warranties and Covenants. Borrower hereby makes the following representations, warranties, and covenants, each of which is true and correct on the date hereof and will be true and correct on the Loan Advance Closing, and each of which shall survive the Loan Advance Closing:

(1) Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, has full power and authority to own its property and carry on its business as currently conducted and is duly qualified to do business in such other jurisdictions in which the failure to so qualify would have a material adverse effect upon the financial condition of Borrower;

(2) Borrower is conducting its business in such a manner as to comply with all applicable laws and regulations of the United States of America, the several states and the District of Columbia and any subdivision of any jurisdiction thereof wherein Borrower is doing business and of all governmental agencies and authorities of any thereof having jurisdiction in the premises where the failure to so comply would have a material adverse effect on the business, present or prospective, or the operations, property, assets or condition, financial or otherwise, of Borrower;

(3) Borrower has the full power and authority to execute, deliver and perform this Agreement, all other documents referred to herein to which Borrower is a party, and the Promissory Note;

(4) This Agreement, and all other documents referred to herein to which Borrower is a party have each been duly authorized, executed and delivered by Borrower and assuming due authorization, execution and delivery by the other parties thereto constitute the legal, valid and binding obligations of Borrower enforceable against it in accordance with their respective terms;

(5) The Promissory Note has been duly authorized by Borrower and, when executed and delivered by Borrower, shall constitute a legal, valid and binding obligation of Borrower enforceable against it in accordance with the terms thereof;

(6) No authorization or approval or other action by, and no notice of filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by Borrower of this Agreement, the Promissory Note and all other documents referred to herein to which Borrower is a party, except for the filing of this Agreement with the ICC pursuant to 49 U.S.C §11303 and the filing of Uniform Commercial Code financing statements in the appropriate state and local offices in which such financing statements have been filed;

(7) Neither the execution, delivery or performance by Borrower of

1

this Agreement, the Promissory Note and all other documents referred to herein to which Borrower is a party, nor compliance with the terms and provisions thereof, conflicts or will conflict with or will result in a breach or violation of any of the terms, conditions or provisions of any law, governmental rule or regulation or the charter documents, as amended, or by-laws, as amended, of Borrower or any order, writ, injunction or decree of any court or governmental authority against Borrower or by which it or any of its properties is bound, or of any indenture, mortgage or contract or other agreement or instrument to which Borrower is a party or by which it or any of its properties is bound, or constitutes or will constitute a default hereunder or will result in the imposition of any lien not permitted hereby upon any of its properties;

(8) As of the Loan Advance Closing, Borrower has good, and lawful title to the Railcars and the good and lawful right to pledge the same to Lender, free from all claims, liens, security interests and other encumbrances except for Permitted Encumbrances; upon filing of this Agreement with the ICC and filing of applicable Uniform Commercial Code financing statements with the appropriate state and local filing offices, Lender will have a valid first priority, perfected lien on and first priority, perfected security interest in the Railcars and all leases and proceeds thereof superior to the rights of all third persons; and all of the Railcars are in good condition and repair and adequate for the uses to which they are being put;

(9) Neither Borrower nor anyone acting on its behalf, has directly or indirectly offered the Promissory Note, or similar securities relating to the Railcars, for sale to, or solicited any offer to acquire any of the same from, anyone other than Lender;

(10) The execution and delivery by Borrower of this Agreement, and the Promissory Note will not involve any prohibited transaction within the meaning of ERISA or Section 4975 of the Internal Revenue Code of 1986;

(11) This Agreement will be, on or prior to the Loan Advance Closing, duly filed with the ICC pursuant to 49 U.S.C. §11303;

(12) Except for the filings referred to in paragraph (11) hereof, as of the Loan Advance Closing, there are no security agreements, financing statements or notices signed by Borrower on file in any appropriate public office naming Borrower as debtor and purporting to create or perfect a security interest in (a) the rentals, revenues and payments to be received by Borrower under any leases relating to such Railcars being financed on such date or (b) the Railcars being financed on such date, and no other filing, depositing or recordation is necessary (A) for the protection of the title of Borrower to the Railcars in any State of the United States of America or the District of Columbia or (B) for the perfection of the lien and security interest of Lender under this Agreement as against creditors of and purchasers from Borrower;

(13) All statements contained in any certificate, document, financial statement or other instrument delivered by or on behalf of Borrower pursuant to or in connection with this Agreement shall be deemed to constitute representations and warranties under Section A.3 of this Agreement. All of Borrower's representations and warranties under this Agreement shall survive the

execution and delivery of the same, any investigation by Lender and the issuance of the Promissory Note;

(14) The audited financial statements of Borrower for each fiscal year will be certified as to completeness and accuracy by the chief executive officer or chief financial officer of Borrower and will be submitted to Lender not later than 120 days after the end of each of Borrower's fiscal years, and quarterly financial statements of Borrower, also certified as to completeness and accuracy by one of the officers described above, will be submitted to Lender not later than 90 days after the end of each fiscal quarter of Borrower;

(15) The principal place of business of Borrower as of the date hereof is 107 N. Commercial Street, Springdale, AR 72764;

(16) Borrower shall not sell, lease, assign or otherwise transfer or dispose of all or substantially all of its assets without Lender's prior written consent, which consent shall not be unreasonably withheld or delayed;

(17) The Quarterly Covenant Compliance Certificate, in the form of Exhibit P hereto, will be completed by Borrower and certified as to completeness and accuracy by the President or Chief Financial Officer of Borrower and will be submitted to Lender not later than 90 days after the end of each fiscal quarter of Borrower, and the Annual Covenant Compliance Certificate, in the form of Exhibit Q hereto, will be completed by Borrower's independent auditors and certified as to completeness and accuracy by such auditors and will be submitted to Lender not later than 120 days after the end of each fiscal year of Borrower;

(18) Borrower agrees that during the terms of the Promissory Note, and of this Agreement, it will provide and maintain insurance with respect to the Railcars, in such amounts and against such risks as are customary in the industry, and that such insurance shall be satisfactory in all respects to Lender in its reasonably exercised discretion, with Lender named as an additional insured and loss payee; and

(19) Borrower agrees that during the terms of the Promissory Note and of this Agreement, it will keep and maintain in good operating condition and repair and make all necessary replacements and renewals to the Railcars in accordance with industry standards so that the operating efficiency thereof shall at all times be maintained and preserved.

A.4 Borrower's Direct Liability. The obligation of Borrower under the Promissory Note is a recourse obligation of Borrower and Borrower shall, therefore, be directly liable for any default under this Agreement and the Promissory Note and shall also be directly liable for any breach of any of its representations, warranties or covenants contained herein. Nothing contained herein shall, however, affect the right of the Lender to proceed directly against the Railcars for the full and complete payment of the indebtedness created hereby.

A.5 Mandatory Prepayments. In the event of a casualty loss with respect to any Railcar or the termination of the A & M Lease for whatever reason with respect to any Railcar, there shall be due and payable hereunder and under the Promissory

Note issued with respect to such Railcar a mandatory prepayment of principal in an amount equal to the portion of the then outstanding principal balance of the Promissory Note represented by such Railcar together with all accrued and unpaid interest thereon, and upon such prepayment, a new amortization schedule shall be prepared by Lender to reflect such prepayment; provided, however, that if Borrower provides a suitable substitute railcar to replace the Railcar that suffers a casualty loss then, so long as there has been no Event of Default and the substitute railcar is acceptable to Lender in its exercise of reasonable discretion, and Lender's security interest in the said substitute railcar can be recorded and afforded first lien priority, no prepayment shall be required and the parties shall execute such documents as are necessary to substitute the replacement cars for the destroyed Railcars under this Agreement and all related documents; provided further, that if Borrower provides a suitable substitute lease to replace the terminated A & M Lease and the terms and conditions of such lease, as well as the Lessee thereunder are acceptable to Lender, the substitute lease shall thereafter be included as an acceptable substitute of collateral and no mandatory prepayment shall be required. A mandatory prepayment made under this Section A.5 will not be subject to the prepayment penalties set forth in the Promissory Note. For purposes of this section A.5, the term "casualty loss" shall mean damage to or destruction of a Railcar such that the cost of repair or restoration would exceed 100 percent of the value of the restored or repaired car.

A.6 Financial Covenants: Borrower and the Lessee shall maintain, for the term of this Agreement, and for the entire term of the Promissory Note, a Minimum Combined Equity of one million, six hundred thousand U.S. dollars (\$1,600,000.00). An acknowledgment from Lessee acknowledging this covenant shall be delivered by either the Borrower or the Lessee.

For the purposes of this Section A.6 the following term shall have the following meaning:

Minimum Combined Equity - shall mean the excess of total assets over total liabilities, total assets and total liabilities each to be determined in accordance with generally accepted accounting principles consistently applied excluding, however, from the determination of total assets: (i) all assets which would be classified as intangible assets under generally accepted accounting principles including, without limitation, goodwill, patents, trademarks, trade names, copyrights, franchises, and research and development expenses except pre-paid expenses; (ii) assets located outside of the United States other than rolling stock, temporarily located outside of the U.S., in rail freight service, in Canada or Mexico; (iii) deferred charges, treasury stock and sinking funds; (iv) all reserves not already deducted from assets; (v) the value of any minority interest in subsidiaries; and (vi) the revaluation and write-up of assets occurring after the Acquisition Advance Closing.

B. SECURITY

B.1 Grant of Security.

(1) In order to secure the prompt payment of the principal and interest on the Promissory Note, (whether now or hereafter outstanding) and

of all other moneys payable and to be payable to Lender under this Agreement (collectively the "Indebtedness") and the timely and faithful performance and observance by Borrower of all of the agreements, covenants and provisions contained in this Agreement, and the Promissory Note, Borrower has granted, conveyed, pledged, sold, mortgaged, assigned, transferred and set over a security interest, and does hereby grant, convey, pledge, sell, mortgage, assign, transfer and set over a lien on and continuing security interest, unto Lender in (i) all of Borrower's right, title and interest including any interest hereafter acquired in every Railcar identified on Exhibit C hereof, including any railcar hereafter added to Exhibit C by way of supplement or amendment; (ii) Borrower's interest in accessions, accessories, equipment, appurtenances and replacements and added parts appertaining or attached to any of the Railcars owned or hereinafter acquired and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any of said Railcars (the Railcars and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any of said Railcars described in items (i) and (ii) above being hereinafter sometimes collectively referred to herein as the "Security Equipment"), together with all the rents, issues, income, profits, proceeds and avails therefrom and the proceeds thereof; (iii) all proceeds and all present and future evidences of rights to payment, (including, without limitation, insurance and indemnity payments) due or to become due to Borrower on account of the lease, sale, loss or other disposition of the Security Equipment; (iv) all rights, claims and causes of action, which Borrower may have against the manufacturer or Seller (on any component thereof) or any other party, by contract or otherwise, in respect of any defect in the Security Agreement; (v) the documents referred to in Section A.2(2)(h) hereof, and all other leases, bills of sales or other similar documents, agreements and instruments relating to the Railcars (collectively, the "Documentary Security" or "Security Documentation"), together with all of Borrower's estate, right, title, interest, claims and demands in, to and under such documents, agreements and instruments including all extensions of any of the terms thereof, together with all rights, powers, privileges, options, and other benefits of Borrower including without limitation the right to receive notices, give consents, exercise any election or option, declare defaults and demand payments thereunder, and (vi) all rent, damages and other moneys from time to time payable to or receivable by Borrower under the Documentary Security (such Security Equipment, Documentary Security, proceeds, rights, claims and causes of action described in items (i) through (vi) above being herein sometimes collectively called the "Collateral"), to have and to hold all and every part of the Collateral unto Lender, and its successors and assigns, for its and their own use and benefit forever.

(2) PROVIDED FURTHER, that it is expressly understood and agreed that the security interests hereby granted Lender are continuing security interests and will not be deemed to have been extinguished or satisfied until the Indebtedness is paid in full.

(3) PROVIDED FURTHER, and these presents are on the condition that, if Borrower, or its successors or assigns shall pay or cause to be paid to Lender all of the Indebtedness in accordance with its terms, as provided in this Agreement and the Promissory Note and shall well and faithfully perform and observe all of the agreements, covenants, and provisions hereof and thereof at the time and in the manner specified, then all rights herein assigned

to Lender shall cease and terminate, all estate, right, title and interest of Lender in and to the Collateral shall revert to Borrower and this Agreement and rights and powers granted herein and hereby shall cease to be binding and shall be of no further force and effect.

(4) PROVIDED FURTHER, that, subject to the terms and provisions hereof and unless otherwise stated herein, Borrower may retain possession (other than the Documentary Security now or hereafter delivered by Borrower to Lender), use and enjoyment of the Collateral, and the exercise of Borrower's rights under the Documentary Security as long as no default shall have occurred and be continuing.

B.2 Lender as Agent Subject to Section B.1 hereof, Borrower hereby appoints Lender, and its successors and assigns, the true and lawful attorney of Borrower, irrevocably and with full power of substitution, in the name of Borrower or otherwise, to demand, receive, compromise, sue for, and give acquittance for, any and all rentals, profits, moneys and claims for money due and to become due under the A & M Lease or otherwise arising out of this Article B, to endorse any checks or other instruments or order in connection therewith, to make all waivers and agreements and to file any claims or take any actions or institute any proceedings with respect thereto which Lender may deem reasonably necessary or advisable, exercisable at any time on or after the occurrence of any Event of Default set forth in Article C of this Agreement. Anything herein contained to the contrary notwithstanding, neither Lender nor its nominee or assignee shall have any obligation or liability by reason of or arising out of this Article B to make any inquiry as to the nature or sufficiency of, to present or file any claim with respect to, or to take any action to collect or enforce the payment of, any amount to which it may be entitled at any time or times by virtue of this Article B.

B.3 Perfecting Security. Borrower hereby represents, warrants and covenants that as of the Loan Advance Closing (and after giving effect to any filings which Lender has advised Borrower it has previously made), all recordings and filings shall have been made which are necessary or appropriate to perfect Lender's interest in the Collateral, including, without limitation, recordings and filings with the ICC and filings of such Uniform Commercial Code financing statements reasonably deemed necessary by Lender with the appropriate state and local offices, and that no other filings, recordings, depositing or giving of notice is necessary in order to protect the rights of Lender in and to the Collateral. Borrower shall, from time to time and at its own expense, promptly execute, acknowledge, witness, deliver and file and/or record, or procure the execution, acknowledgment, witnessing, delivery and filing and/or recordation of, such documents or instruments, and shall take or cause to be taken such other actions, as Lender may reasonably request for the perfection against Borrower and all third parties whomsoever of the security interest created by this Article B, of the rights and powers herein granted to Lender and or the continuation and protection thereof and promptly give to Lender evidence satisfactory to Lender of such delivery and filing and/or recording. Without limiting the generality of the foregoing, Borrower shall from time to time and at any time execute, acknowledge, witness and deliver such financing and continuation statements, notices and additional security agreements, make such notations on its records and take such other action as Lender may reasonably request for the purpose of

so perfecting, maintaining and protecting such security interest of Lender, and shall cause this Agreement and each such financing and continuation statements, notices and additional security agreements to be filed or recorded in such manner and in such places as may be required by applicable law and as Lender may reasonably request for such purpose. Borrower hereby authorizes Lender to effect any filing or recording which Lender has requested pursuant to this Section B.3 without the signature of Borrower to the extent permitted by applicable law. The costs and expenses of Lender with respect to such actions shall be payable by Borrower on demand, as further outlined below.

B.4 After-Acquired Property. Any and all property described or referred to in Section B.1 hereof which is hereafter acquired shall, without any further conveyance, assignment or act to the on the part of Borrower or Lender, become and be subject to the security interest herein granted as fully and completely as though specifically described herein. Borrower shall, at its expense, do, execute, acknowledge and deliver all and every further act, deed, conveyance, transfer and assurance necessary or proper for the perfection of the security interest being herein provided for in the Collateral, whether now owned or hereafter acquired.

B.5 Usage. So long as no Default shall have occurred and be continuing, Borrower shall be entitled to the possession and use of each Railcar wholly within the continental United States, Canada and Mexico in accordance with the terms of this Agreement. Use of Railcars shall be limited to use under the A & M Lease in accordance with its terms; no other use shall be permitted without the prior written consent of Lender which shall not be unreasonably withheld or delayed.

B.6 Marking of Equipment. Borrower shall, at its expense, cause each Railcar to be kept numbered with the identifying road number set forth in Exhibit C hereto, or in the case of any item not there listed, such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such item, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Railcar, the words "Ownership Subject to a Security Agreement filed under the Interstate Commerce Act," or other appropriate markings approved in writing by Lender, with appropriate changes thereof in order to protect Lender's security interest in the Railcars and its rights under this Agreement. Borrower shall, at its expense, replace promptly any such markings which may be removed, defaced, obliterated or destroyed and shall not change the number of any Railcar except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with Lender and filed, recorded and deposited by Borrower in all public offices where this Agreement shall have been filed, recorded and deposited.

B.7 Registration of Collateral. Lender, at Borrower's sole expense, shall register or cause to be registered all Railcars in accordance with any and all applicable federal, state, and local or railroad industry registration requirements, including, without limitation, any registration requirement of the AAR and the ICC or any of their successor organizations.

B.8 Performance by Borrower. Borrower represents and warrants that

(a) notwithstanding the assignment of the Documentary Security to Lender hereunder, Borrower will perform all of the covenants and conditions in the Documentary Security required to be complied with by it and (b) it has performed all obligations on its part to be performed on or prior to the date hereof and there has not occurred on or prior to the date hereof any default or event of default thereunder.

B.9 Performance by Lender. The assignment of the Documentary Security to Lender hereunder is made only as security, and, therefore, shall not subject Lender to, or transfer, or pass, or in any way affect or modify, the liability of Borrower thereunder, it being understood and agreed that notwithstanding such assignment, or any subsequent assignment, all obligations of Borrower to other parties thereunder shall be and remain enforceable by such parties, and their respective successors and assigns, against, and only against, Borrower. Nevertheless, Lender may, at any time and from time to time at its option, upon prior written notice to Borrower, perform any act which is undertaken by Borrower to be performed by Borrower under the Documentary Security or hereunder, but which Borrower shall fail to perform, and, in such case, may take any other action which Lender may deem necessary for the maintenance, preservation or protection of its security interest in the Collateral. All moneys advanced and all expenses (including reasonable legal fees) incurred by Lender in connection with such action together with interest at the interest rate described above shall be repaid by Borrower to Lender upon demand, and shall be secured hereby as provided herein.

B.10 Protection of Security. Borrower shall not:

(1) permit any of the Collateral to be levied upon under legal process or to fall under any other lien or encumbrance of whatever nature arising as a result of claims against Borrower, except as otherwise permitted herein; or

(2) except with the prior written consent of Lender, which shall not be unreasonably withheld or delayed, and upon the terms and conditions, if any, specified in such consent, sell, assign (including by virtue of assignments by operation of law), mortgage, pledge or otherwise transfer or encumber any of the Collateral, except as contemplated herein, or take any action which would permit any party other than Lender to perfect any security interest in the Collateral, whether for purchase money or otherwise.

B.11 Amendments to the A & M Lease. Borrower hereby represents and warrants that it has not, and covenants that it shall not, as long as this Agreement shall remain in effect, except with the prior written consent of Lender, which consent shall not be unreasonably withheld or delayed, and upon the terms and conditions, if any, specified in such consent, enter into any agreement amending, supplementing or terminating the A & M Lease or any other lease relating to the Railcars permitted by Lender.

B.12 Indemnity for Acts of Borrower. Borrower covenants and agrees with Lender that in any suit, proceeding or action brought or taken by Lender under the Documentary Security, or this Agreement, Borrower will save, indemnify and keep Lender harmless from and against all expense (including reasonable legal

fees), loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of any other party thereto, or their respective successors or assigns, arising out of a breach by Borrower of any obligation thereunder or arising out of any other indebtedness or liability at any time owing to any other party thereto, or their respective successors or assigns. Any and all such obligations of Borrower shall be and remain enforceable against and only against Borrower.

B.13 Notices under the A & M Lease Relating to the Railcars. Borrower shall cause copies of all notices received or sent by it in connection with the A & M Lease relating to the Railcars to be promptly delivered to Lender at Lender's address below. Lender will give Borrower notice of any claim, of which Lender has actual knowledge, by the Lessee, or its successors or assigns, under the A & M Lease relating to the Railcars against Borrower which if successful, would result in Borrower liability under Section B.12 hereof, and will permit Borrower to intervene in any such proceedings.

B.14 Taxes. Borrower will pay all taxes in connection with the issuance, sale or delivery of the Promissory Note and the execution and delivery of this Agreement and any other agreements and instruments contemplated hereby and any modification of the Promissory Note, this Agreement or such other agreements and instruments and will save Lender harmless, without limitation as to time, against any and all liabilities with respect to all such taxes. Borrower will also pay all other taxes, assessments or charges which may be levied on the Promissory Note or interest thereon, except any income tax imposed under the laws of the United States of America, or any state thereof, or of any foreign country, and will save Lender harmless, without respect to all such taxes, assessments or charges. The obligations of the Debtor under this Section B.14 shall survive the payment or prepayment of the Notes and the termination of this Agreement.

B.15 Disclaimer by Lender. Lender makes no representations or warranties with respect to the Collateral or any part thereof; Lender shall not be chargeable with any obligations or liabilities of Borrower with respect thereto; and Lender shall have no liability or obligation arising out of any such claims, known or unknown, with respect to the Collateral.

C. DEFAULT

C.1 Defaults. The following events are defaults ("Events of Default" or "Defaults") hereunder:

(1) Borrower shall fail to pay an installment of the principal of or interest on the Promissory Notes within ten (10) days of the date on which the same shall be due and payable, whether at the due date thereof, by acceleration, as part of a prepayment or otherwise.

(2) Borrower shall default in performance of its obligations under this Agreement or any other Agreement between Borrower and Lender, and such default shall continue for thirty (30) days after written notice thereof to Borrower from Lender.

- (a) by written notice to Borrower declare the entire principal amount of the Promissory Note and any other notes ("Other Notes") executed by Borrower in favor of Lender and any other amounts payable hereunder or under any other Agreement between Borrower and Lender to be due and payable, forthwith, whereupon the Promissory Note and the Other Notes shall become due and payable, both as to principal and interest without presentment, demand or protest of any kind, all of which are hereby expressly waived, anything contained herein or in the Promissory Note or the Other Notes to the contrary notwithstanding, and subject at all times to the recourse provisions of the Promissory Note or the Other Notes;
- (b) exercise all rights and remedies of Borrower under the Security Documentation and Borrower shall have no further rights thereunder until the security interest granted hereunder reverts to Borrower;
- (c) institute legal proceedings to foreclose upon and against the security interest granted herein to recover judgment for all amounts then due and owing as Indebtedness, and to collect the same out of any of the Collateral or from Borrower personally;
- (d) institute legal proceedings for the sale, under the judgment or decree of any court of competent jurisdiction, of any of the Collateral;
- (e) institute legal proceedings for the appointment of a receiver or receivers pending foreclosure hereunder or the sale of any of the Collateral under the order of a court of competent jurisdiction or under other legal process;
- (f) personally, or by agents or attorneys, enter into and upon any premises wherein the Collateral or any part thereof may then be located, and take possession of all or any part thereof or render it unusable, and, without being responsible for loss or damage, hold, store and keep idle, or operate, lease or otherwise use or permit the use of the same or any part thereof for

such time and upon such terms as Lender may determine, in a commercially reasonable manner;

- (g) personally, or by agents or attorneys, enter into and upon any premises wherein the Collateral or any part thereof may then be located, and take possession of all or any part thereof with or without process of law and without being responsible for loss or damage and sell or dispose of all or any part of the same, free from any and all claims of Borrower or of any other party claiming by, through or under Borrower at law, in equity or otherwise, at one or more public or private sales, in such place or places, at such time or times and upon such terms as Lender may determine, in a commercially reasonable manner, with or without any previous demand on or notice to Borrower or advertisement of any such sale or other disposal, and for the aforesaid purposes, all other notice of sale, advertisement and demand and any right or equity of redemption otherwise required by, or available to Borrower under applicable law, are hereby waived by Borrower to the fullest extent permitted by applicable law; the power of sale hereunder shall not be exhausted by one or more sales, and Lender may from time to time adjourn any sale to be made hereunder;
- (h) demand, collect, and retain all rentals, earnings and all other sums due and to become due pursuant to subsections (f) or (g) of this Section C.2(1) from any party whomsoever, accounting only for net earnings arising after charging against all receipts from the use of or sale of the Collateral, all reasonable costs and expenses of, and damages or losses by reason of, such use or sale power;
- (i) if and to the extent the Default results from a breach by Borrower of any representation, warranty or covenant of Borrower contained herein, institute legal proceedings against Borrower to enforce performance of the applicable covenant of Borrower or to recover damages for the breach of any such representation, warranty

or covenant; and

- (j) exercise any other right, power, privilege or remedy which may be available to a secured party under the Uniform Commercial Code or any other applicable law.

(2) Notice. If Lender must give prior notice to Borrower of any of the foregoing acts, Borrower hereby covenants and agrees that a notice sent to it in writing by certified mail, return receipt requested, at least ten (10) business days before the date of any such act (or such longer period as may be required by applicable law), at its address provided hereunder shall be deemed to be reasonable notice of such act and, specifically, reasonable notification of the time and place of any public sale hereunder and the time after which any private sale or other intended disposition is to be made hereunder.

(3) Application of Proceeds. The proceeds from the sale of the Collateral pursuant to any of the provisions of this Section C.2 shall be applied by Lender as follows:

- (a) First, to the payment of costs and expenses of foreclosure or suit, if any, and of such sale, and of all proper expenses, liability and advances, including legal expenses and reasonable attorneys' fees, incurred or made hereunder by Lender, and of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made;
- (b) Second, to the payment to Lender of the amounts of principal and accrued interest unpaid on the Promissory Note, without application being made, first, to the unpaid interest thereof, and thereafter to the unpaid principal thereon; and
- (c) Third to the payment to Lender of any and all amounts due and owing on the Other Notes, with application being made, first to the unpaid interest thereon, and thereafter to the unpaid principal.
- (d) To the payment of the surplus, if any, to Borrower, its successors and assigns, or to whosoever may be lawfully entitled to receive the same.

C.3 Waiver by Borrower. To the fullest extent that it may lawfully so agree, Borrower shall not at any time insist upon, claim, plead, or take any

benefit or advantage of, any appraisal, valuation, stay, extension, moratorium, redemption or any similar law now or hereafter in force in order to prevent, delay or hinder the enforcement of this Agreement or the absolute sale of any part or all of the Collateral or the possession thereof by any purchaser at any sale pursuant to Section C.2 above; and Borrower, for itself and all who may claim through it, as far as it or they now or hereafter lawfully may so do, hereby waives the benefit of all such laws and all right to have the Collateral marshalled upon any foreclosure hereof, and agrees that any court having jurisdiction to foreclose under this Agreement may order the sale of the Collateral as an entirety.

C.4 Right to Purchase Collateral. So long as Lender has provided Borrower with the Notice described in Section C.2(2), at any sale pursuant to Section C.2 hereof, Lender or its agent may, to the extent permitted by applicable law, bid for and, if Lender is the highest bidder, purchase the Collateral offered for sale, may use any claim for Indebtedness payable to it as a credit against the purchase price and, upon compliance in full with the terms of such sale, may hold, retain and dispose of such property without further accountability therefor to Borrower or any other party.

C.5 Cumulative Rights. Each right, power and remedy herein specifically granted to Lender or otherwise available to it shall be cumulative, and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or otherwise; and each right, power and remedy, whether specifically granted herein or otherwise existing, may be exercised, at any time and from time to time, as often and in such order as may be deemed expedient by Lender in its sole and complete discretion; and the exercise or commencement of exercise of any right, power or remedy shall not be construed as a waiver of the right to exercise, at the same time or thereafter, the same or any other right, power or remedy; provided, however, that nothing in this Agreement shall be construed as granting Lender the right to recover more than the amount of the Indebtedness and its expenses as provided hereunder and such other amounts as may be recoverable under applicable laws. No delay or omission by Lender in exercising any such right or power, or in pursuing any such remedy, shall impair any such right, power or remedy or be construed to be a waiver of any Default on the part of Borrower or an acquiescence therein. No waiver by Lender of any breach or Default of or by Borrower under this Agreement shall be deemed to be a waiver of any other or similar, previous or subsequent breach or Default.

C.6 Rights Under Security Documentation. Notwithstanding any of the provisions of this Agreement to the contrary, neither Borrower nor Lender shall, in the absence of a default under the Security Documentation, take any action contrary to the rights of Borrower under the Security Documentation except in accordance with the provisions thereof.

D. MISCELLANEOUS

D.1 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Borrower, Lender and their respective successors and assigns, provided that Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of Lender.

D.2 Governing Law, Amendments and Counterparts. The terms of this Agreement and all rights obligations of the parties hereto shall be governed by the laws of the State of Illinois, without regard to its conflicts of law doctrine. Such terms, rights and obligations may not be changed orally, but may be changed only by an agreement in writing signed by the party against whom enforcement of such change is sought. This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, but all of such counterparts shall together constitute a single instrument.

D.3 Fees and Expenses. Borrower agrees to pay all of Lender's reasonable out-of-pocket expenses up to \$10,000.00 relating to the negotiation, execution, delivery and preparation of this Agreement, the Note, and any amendments hereto or thereto, including appraisal fees, recording costs and filing fees in respect of documents filed or recorded with the ICC, and the fees and disbursements of Ross & Hardies, special counsel for Lender. Lender shall provide Borrower with an itemization for the expenses to be paid by Borrower under this section D.3.

D.4 Notices. All notices and other communications provided for hereunder shall be in writing (including telegraphic communication) and mailed or telegraphed or delivered:

if to Borrower, at its address at:

107 N. Commercial St.
Springdale, AR 72764
Attention: J.A. Hannold

with copies to:

Weiner, Brodsky, Sidman & Kider, P.C.
1350 New York Avenue, N.W., Suite 800
Washington, D.C. 20005
Attention: Mark Sidman
Fax: (202) 628-2011

and if to Lender, at its address at:

Deutsche Credit Corporation
2333 Waukegan Road
Deerfield, IL 60015
Attention: Legal Department-With copies
to Credit Department
Fax: (708) 948-5058

All such notices shall be deemed given upon personal delivery or facsimile transmission to an officer of Borrower or Lender, as the case may be, or forty-eight hours after deposit into the United States mail, certified mail, return receipt requested, postage prepaid, or twenty-four (24) hours after submitting to a national, overnight delivery service, prepaid, and, in each case, addressed to the address indicated herein for such party or to such other address as such party may designate in writing pursuant hereto.

D.5 Survival. All warranties, representations, agreements and covenants made by Borrower herein or in any certificate or other instrument delivered by Borrower shall be considered to have been relied upon by Lender hereto and shall survive the consummation of the transactions contemplated hereby regardless of any investigation made by Lender or on behalf of Lender. All statements in any such certificate or other instrument shall constitute warranties and representations by Borrower to the same effect as if set forth herein.

D.6 Headings. The headings of the sections of this Agreement are inserted for purposes of convenience only and shall not be construed to affect the meaning or construction of any of the provisions hereof.

D.7 Entire Agreement. This Agreement, together with the Promissory Note, are intended by the parties as a final expression of their agreement and are intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein and therein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein and therein. This Agreement, together with the Promissory Note, supersedes all prior agreements and understanding between the parties with respect to such subject matter.

D.8 Attorney Fees. In any action or proceeding brought to enforce any provision of this Agreement or the Notes, or where any provision hereof or thereof is validly asserted as a defense, the successful party shall be entitled to recover reasonable attorneys' and disbursements fees in addition to any other available remedy.

D.9 Severability. In the event that any one or more of the provisions contained herein, or of the Promissory Note or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired or affected, it being intended that all of Lender's rights and privileges shall be enforceable to the fullest extent permitted by law.

D.10 Reproduction of Documents. This Agreement and all documents relating hereto including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, (b) documents received on or as of the Loan Advance Closing, and (c) financial statements, certificates and other information previously or hereafter furnished to any party hereto, may be reproduced by such party by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process and such party may destroy any original document so reproduced, all at the cost of such party. The parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

D.11 Counterparts. This Agreement may be executed simultaneously

STATE OF Arkansas)
COUNTY OF Washington) SS.

On this 29th day of December, 1993, before me personally appeared J.A. Hannold to me personally known, who being by me duly sworn, says that he is the President of Allied Enterprises Inc., that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Janice Hill
Notary Public

(SEAL)

My commission expires: 4/25/2000

STATE OF ILLINOIS)
COUNTY OF LAKE) SS.

On this 5th day of January, 1998, before me personally appeared ROBERT L. OSBLAND & TERRY SWANBERG to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT & SECRETARY, RESPECTIVELY of DEUTSCHE CREDIT CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

OFFICIAL SEAL
STEVEN P. ORDAZ
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION EXP: 11/25/95

Steven P. Ordaz
Notary Public

(SEAL)

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LIST OF EXHIBITS

- A - Purchase Agreement
- B - Appraisal
- C - List of Cars
- D - Promissory Note
- E - Loan Advance Certificate
- F - Pay Proceeds Letter
- G - Certificate of Incumbency
- H - Closing Certificate
- I - Memorandum of Lease Agreement
- J - A & M Lease
- K - A & M Lease Assignment
- L - Acknowledgment and Notice of Assignment
- M - Certificate of Acceptance
- N - Insurance Certificate
- O - Opinion of Counsel
- P - Quarterly Covenant Compliance Certificate
- Q - Annual Covenant Compliance Certificate

ALLIED RAILCAR COMPANY

ASSET SALE AGREEMENT

This ASSET SALE AGREEMENT is made as of December ____, 1993 by and between ALLIED RAILCAR COMPANY, an Illinois corporation ("Seller"), and Allied Enterprises, Inc., a Delaware corporation ("Buyer").

Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, certain assets of Seller, on the terms and conditions set forth in this Agreement.

ACCORDINGLY, Seller and Buyer agree as follows:

ARTICLE I

DEFINITIONS

1.1 Defined Terms.

(a) The following terms have the meanings specified in this Section 1.1 for all purposes of this Agreement:

"CRTC" means Chrysler Rail Transportation Corporation, a Delaware corporation.

"CRTC Agreement" means the Asset Purchase Agreement dated as of December 3, 1993 between CRTC and Seller, a copy of which is attached to this Agreement as Exhibit A.

"CRTC Closing" means the Closing defined in the CRTC Agreement.

"Claims Administration Agreement" means the Claims Administration Agreement dated December 3, 1993, a copy of which is attached to this Agreement as Exhibit B.

"Closing" means the completion of the purchase of the Purchased Assets and the assumption of the Assumed Obligations by Buyer.

"Closing Date" means the date at which Closing occurs.

"Purchased Assets" means those Assets listed on Exhibit C to this Agreement.

(b) Capitalized terms not defined in this Agreement shall have the meanings provided in the CRTC Agreement as in effect on the date hereof.

ARTICLE 2

PURCHASE OF PURCHASED ASSETS AND CLOSING

2.1 Transfer of Purchased Assets.

On the terms and subject to the conditions set forth in this Agreement, Seller shall sell, assign, convey or otherwise transfer to Buyer, without recourse, representation or warranty, except as otherwise expressly provided herein, and Buyer shall purchase and acquire on the Closing Date:

(a) All of the right, title and interest of Seller in and to the Purchased Assets, including all such right, title and interest acquired pursuant to the CRTC Agreement; and

(b) All rights of Seller under the CRTC Agreement and under the CFC Guaranty to the extent those rights pertain to the Purchased Assets, including without limitation rights with respect to Records and Warranties, the representations and warranties of CRTC under and pursuant to the CRTC Agreement, the covenants of CRTC under the CRTC Agreement and the indemnification obligations of CRTC under the CRTC Agreement. Buyer acknowledges that the assignment of rights under the CRTC Agreement is subject to Section 10.4 of the CRTC Agreement.

2.2 Excluded Assets.

(a) Buyer is not acquiring any interest in any CRTC assets excluded by Section 2.2 of the CRTC Agreement.

(b) Buyer is not acquiring any interest in rights of Seller under the CRTC Agreement to the extent those rights pertain to Assets other than Purchased Assets.

2.3 Purchase Price.

(a) Subject to the purchase price adjustments contained in Section 2.4 hereof, Buyer shall pay to Seller for the Purchased Assets one million, two hundred seven thousand, five hundred dollars (\$1,207,500) (the "Purchase Price").

(b) In accordance with the terms and conditions of this Agreement, at Closing Buyer shall pay to Seller the Purchase Price in cash by wire transfer of immediately available funds in accordance with the wire transfer instructions delivered to Buyer from Seller at least one business day prior to Closing.

2.4 Adjustments to Purchase Price.

The Purchase Price shall be adjusted by (i) an increase equal to the amount of any cash amounts paid by Seller after the CRTC Closing and attributable to the Purchased Assets (for such items as management fees, maintenance expenses and taxes), (ii) an increase equal to

Seller's cost of financing the Purchased Assets from the date of the CRTC Closing to the Closing, as reasonably determined by Seller and (iii) a decrease equal to the amount of any cash amounts received by Seller after such Closing and attributable to the Purchased Assets, including without limitation revenue from Leases included in Purchased Assets.

2.5 Assumption of Obligations.

On the Closing Date Buyer shall assume and thereafter pay, perform and discharge all liabilities, obligations and duties of Seller with respect to the Purchased Assets, including without limitation all obligations of Seller under the CRTC Agreement with respect to the Purchased Assets and all obligations assumed by Seller with respect to the Purchased Assets under the CRTC Agreement (the "Assumed Obligations"). It is acknowledged and agreed that (i) Buyer shall be deemed to be a "Purchaser" as defined in Section 10.4 of the CRTC Agreement and (ii) to the extent any provision of the Agreement related to any rights or Assets assigned to or liabilities, obligations or duties assumed by, Buyer pursuant to this Agreement, Buyer shall be subject to and bound by the provisions of the CRTC Agreement as if it were a party to such Agreement, including without limitation, Sections 2.6 (Allocation of Revenues and Expenses), Section 2.9 (Restricted Assets), Article VIII (Survival; Indemnification) and Article X (Miscellaneous). This provision is intended to be for the benefit of CRTC and its Affiliates and may be directly enforced by CRTC and its Affiliates.

2.6 Allocation of Revenues and Expenses.

(a) Buyer agrees to the allocation between Seller and CRTC of revenues and expenses under Section 2.6 of the CRTC Agreement with respect to the Purchased Assets and agrees that (i) such allocation shall be for the account of Buyer to the extent performed prior to Closing and (ii) such allocation shall continue after Closing for the account of Buyer until completed pursuant to such Section 2.6. Buyer and Seller acknowledge that the railcars listed on Schedule 2.6 to this Agreement are listed on Schedule 2.6(b)(ii) to the CRTC Agreement and are subject to the allocation of repair costs provided in Section 2.6(b)(ii) of the CRTC Agreement. Seller agrees to pay or otherwise defray the portion of the repair cost of those railcars allocated to it under the CRTC Agreement.

(b) All revenue and expenses of Seller attributable to the Purchased Assets and allocable to the period prior to the Closing Date shall be for the account of Buyer, and Buyer shall have the right to receive all such revenue and shall be obligated to pay all such expenses (except to the extent that those revenues have been received in cash or expenses paid in cash resulting in a Purchase Price adjustment pursuant to Section 2.4).

2.7 Closing.

The Closing shall take place at the offices of Seller, 6 West Hubbard Street, Chicago, Illinois 60610, at 10:00 a.m. on January ____, 1994, or at such other time and place as Buyer and Seller may agree but in any event not later than January 31, 1994. The term "Closing Date" means the date on which the Closing occurs.

(a) At Closing Seller shall deliver to Buyer (i) such purchased assets and instruments of sale, endorsements and instruments of conveyance, transfer and assignment as are necessary to transfer to Buyer all of the right, title and interest of Seller in and to the Purchased Assets (including all of the right, title and interest acquired by Seller from CRTC) in accordance with this Agreement and (ii) all other instruments and documents which are expressly required pursuant to this Agreement to be executed and delivered by Seller at the Closing.

(b) At Closing Buyer shall deliver to Seller (i) the Purchase Price, (ii) such assumption agreements or other instruments necessary or appropriate to effect Buyer's assumption of the Assumed Obligations and (iii) all other instruments and documents which are expressly required pursuant to this Agreement to be executed and delivered by Buyer at the Closing.

(c) Seller and Buyer acknowledge that at the time of Closing the Railcars are in the possession of Lessees or at various locations on the railroad interchange system and that physical delivery at Closing is not practicable. Accordingly Buyer and Seller agree that each Railcar shall be deemed delivered from Seller to Buyer under this Agreement, without any further action by Seller or Buyer, on the earlier of (i) the first day that such Railcar is present in any of the states listed on Schedule 2.8 or (ii) December 31, 1994. This provision shall have no effect on title, risk of loss or any other rights and obligations with respect to the Railcars, all of which shall pass from Seller to Buyer at the Closing. Buyer agrees that Seller shall have no liability or obligation to Buyer for any Losses to buyer which arise out of or relate to this Section 2.8(c).

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

IT IS THE INTENT AND AGREEMENT OF THE PARTIES HERETO THAT THE PURCHASED ASSETS ARE BEING SOLD ON AN "AS IS", "WHERE IS", "WITH ALL FAULTS" BASIS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES EXCEPT AS EXPRESSLY PROVIDED IN THIS ARTICLE 3. Subject to the foregoing, Seller hereby represents and warrants to Buyer that:

3.1 Corporate Status. Seller is a corporation validly existing and in good standing under the laws of the State of Illinois. Seller has the corporate power and corporate authority to own and lease the Purchased Assets owned or leased by it.

3.2 Authority; Binding Effect. Seller has the corporate power and corporate authority to execute and deliver this Agreement and the other instruments and agreements required or contemplated herein to be executed and delivered by it at the Closing, to perform its obligations hereunder and thereunder, and to consummate the transactions provided for herein and herein, and all corporate action of Seller necessary for the making and performance of this Agreement and such other instruments and agreements by it has been duly taken. The execution, delivery and performance of this Agreement and such other

instruments and agreements by Seller, and the consummation by Seller of the transactions contemplated hereby and thereby, do not and will not (i) (A) contravene any provisions of the Articles of Incorporation or by-laws of Seller, (B) result in any material breach of or material default (or an event which, with notice or lapse of time or both, would constitute a material default) under, or the cancellation of, or the creation of any lien (other than Permitted Liens) under, any Assumed Contract, (C) result in any material breach of or material defaults (or an event which, with notice or lapse of time or both, would constitute a material default) under, or the cancellation of or the creation of any lien under, any other material mortgage, indenture, contract, agreement or other instrument to which Seller is a party except for such breaches, defaults, cancellations or liens which would not materially adversely affect Seller's ability to perform its obligations hereunder, or (D) result in any violation by Seller of any law, rule or regulation applicable to it which violation would materially adversely effect Seller's ability to perform its obligations hereunder, (ii) result in any violation by Seller of any judgment, injunction or decree of any court or governmental authority applicable to Seller which violation would materially adversely affect Seller's ability to perform its obligations hereunder, or (iii) require any Governmental Filing to be made or obtained by Seller except for any Governmental Filings that may be required to be made as a result of the specific regulatory status of Buyer or as a result of any other facts that relate to the business or activities in which Buyer is or proposes to be engaged, and Governmental Filings the failure of which to make or obtain would not have a material adverse effect on Seller's ability to perform its obligations hereunder. This Agreement has been duly executed and delivered by Seller and the other instruments and agreements required or contemplated herein to be executed and delivered by Seller at the Closing will be duly executed and delivered by Seller at the Closing. This Agreement constitutes, and at the Closing each of such other instruments and agreements will constitute, the valid and binding obligations of Seller, enforceable against Seller in accordance with their terms.

3.3 Consents From Third Parties. No Consents are required to be obtained by Seller under the Assumed Contracts for the consummation by Seller of the transactions contemplated by this Agreement. None of the Purchased Assets is a Restricted Asset under Section 2.9 of the CRTC Agreement, and Section 2.9 of the CRTC Agreement does not apply to any Purchased Assets.

3.4 Title to Purchased Assets.

(a) Seller has such title to the Purchased Assets as Seller acquired from CRTC at the CRTC Closing and has granted no liens or other encumbrances on the Purchased Assets, nor allowed any other liens or encumbrances arising by, through or under Seller to attach to the Purchased Assets (other than ordinary course liens for repairs and taxes), except the security interest of The First National Bank of Maryland which will be released at Closing.

(b) No liens on Purchased Assets have arisen or resulted from action taken by any Affiliate of Buyer.

(c) There are no liens on Purchased Assets of the type described in clause (iv) of the definition of Permitted Liens in the CRTC Agreement.

3.5 Litigation. There is no material action, suit, formal governmental investigation or other proceeding pending or, to Seller's knowledge, threatened against Seller, at law or in equity, before any federal, state or municipal court, administrative agency or arbitrator which materially adversely affects the Purchased Assets or the Assumed Obligations and is reasonably likely to be adversely determined in a manner which would be material to the Purchased Assets, or which would materially impair Seller's ability to perform this Agreement or the other instruments and documents to be executed and delivered by Seller at the Closing.

3.6 Brokers. Except for Seller's arrangements with Railroad Financial Corporation which do not require any payment by Buyer, there is no broker or finder or other Person who has any valid claim against any of the parties to this Agreement for a commission or brokerage fee or the like in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of or action taken by Seller.

3.7 Condition of Railcars. None of the railcars included in the Purchased Assets is listed on the Disclosure Schedule to the CRTC Agreement as a Destroyed Railcar or listed on Schedule 4.5 to the CRTC Agreement as a car with "jack-in-the-box" trucks.

3.8 Copy of Lease. Seller has delivered to Buyer a true and correct copy of the Lease listed on Exhibit B, as received from CRTC at the CRTC Closing.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller that:

4.1 Corporate Status. Buyer is a corporation validly existing and in good standing under the laws of the State of Delaware. Buyer has the corporate power and corporate authority to own or lease its properties and assets and the Purchased Assets that it will acquire at the Closing and to carry on its business in the manner in which such business is now being conducted and will be conducted by Buyer after the Closing.

4.2 Authority: Binding Effect. Buyer has the corporate power and corporate authority to execute and deliver this Agreement and the other instruments and agreements required or contemplated herein to be executed and delivered by it at the Closing, to perform its obligations hereunder and thereunder and to consummate the transactions provided for herein and therein, and all corporate action of Buyer necessary for the making and performance of this Agreement and such other instruments and agreements by Buyer has been duly taken. The execution, delivery and performance of this Agreement and such other instruments and agreements by Buyer, and the consummation by Buyer of the transactions contemplated hereby and thereby, do not and will not (i)(A) contravene any provisions of the Certificate of Incorporation or By-laws of Buyer, (B) result in any material breach of or material default (or an event which, with notice or lapse of time or both, would constitute a material default) under, or the cancellation of, any material mortgage, indenture, contract, Agreement or other instrument to which Buyer is a party except for such breaches, defaults

or cancellations which would not materially adversely affect Buyer's ability to perform its obligations hereunder, or (C) result in any violation by Buyer of any law, rule or regulation applicable to Buyer which violation would materially adversely affect Buyer's ability to perform its obligations hereunder, (ii) result in any violation by Buyer of any judgment, injunction or decree of any court or governmental authority applicable to Buyer which violation would materially adversely affect Buyer's ability to perform its obligations hereunder or (iii) require any Governmental Filing to be made or obtained by Buyer except for state or local sales tax filings and Governmental Filings the failure of which to make or obtain would not have a material adverse effect on Buyer's ability to perform its obligations hereunder. This Agreement has been duly executed and delivered by Buyer and the other instruments and agreements required or contemplated herein to be executed and delivered by Buyer at the Closing will be duly executed and delivered by Buyer at the Closing. This Agreement constitutes, and at the Closing each of such other instruments and agreements will constitute, the valid and binding obligations of Buyer enforceable against Buyer in accordance with their terms.

4.3 Brokers. There is no broker or finder or other Person who has any valid claim against any of the parties to this Agreement for a commission or brokerage fee or the like in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of or action taken by Buyer or any of its Affiliates.

4.4 Litigation. There is no material action, suit, formal governmental investigation or other proceeding pending or, to Buyer's knowledge, threatened against Buyer, at law or in equity, before any federal, state or municipal court, administrative agency or arbitrator which if adversely determined would materially impair Buyer's ability to perform this Agreement or the other instruments and documents to be executed and delivered by Buyer at the Closing.

ARTICLE 5

CONDITIONS TO BUYER'S OBLIGATIONS

The obligations of Buyer to purchase the Purchased Assets and assume the Assumed Obligations are subject to the fulfillment, at or before the Closing, of each of the following conditions, any one or more of which may be waived by Buyer:

5.1 Representations, Warranties, Covenants. The representations and warranties of Seller contained in Article 3 of this Agreement shall be true and correct in all material respects as of the Closing Date as through such representations and warranties were made as of the Closing Date. Seller shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it at or prior to the Closing Date. Seller shall have furnished Buyer with a certificate, dated the Closing Date and duly executed on behalf of Seller by the President or a Vice President of Seller, to the effect that the conditions set forth in this Section 5.1 have been satisfied.

5.2 Proceedings. No party to this Agreement shall be subject to any order, stay, injunction or decree of any court of competent jurisdiction in the United States restraining or prohibiting the consummation of the transactions contemplated hereby.

5.3 Bill of Sale and Assignment. Seller shall have delivered to Buyer a Bill of Sale and Assignment (the "Bill of Sale and Assignment") duly executed by Seller, in the form

5.4 Instruments of Conveyance. Seller shall have duly executed and delivered to Buyer any other assignments or other instruments of conveyance with respect to the Purchased Assets reasonably determined to be necessary by Buyer and its counsel.

5.5 Termination of Security Interests. A duly executed release of any security interest granted by Seller in the Purchased Assets shall have been delivered to Buyer.

5.6 Legal Opinion. Buyer shall have received a legal opinion of McLachlan, Rissman & Doll, counsel to Seller, with respect to the matters set forth in Sections 3.1 and 3.2.

ARTICLE 6

CONDITIONS TO SELLER'S OBLIGATIONS

The obligations of Seller to consummate the transfer of the Purchased Assets are subject to the fulfillment, at or before the Closing, of each of the following conditions, any one or more of which may be waived by Seller:

6.1 Representations, Warranties, Covenants. The representations and warranties of Buyer contained in Article 4 of this Agreement shall be true and correct in all material respects as of the Closing Date as though such representations and warranties were made as of the Closing Date. Buyer shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it at or prior to the Closing Date. Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed on behalf of Buyer by the President or a Vice President of Buyer, to the effect that the conditions set forth in this Section 6.1 have been satisfied.

6.2 Proceedings. No party to this Agreement shall be subject to any order, stay, injunction or decree of any court of competent jurisdiction in the United States restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 Assumption of Liabilities. Buyer shall have delivered to Seller an Assumption of Liabilities (the "Assumption of Liabilities") duly executed by Buyer, in the form attached to this Agreement as Exhibit E.

6.4 Legal Opinion. Seller shall have received a legal opinion of Cypert, Crouch, Clark & Harwell, counsel to Buyer, with respect to the matters set forth in Sections 4.1 and 4.2.

6.5 Claims Administration Agreement. Buyer shall have become a party to the Claims Administration Agreement by execution and delivery of a Supplement To Claims Agreement in the form of Exhibit A thereto.

ARTICLE 7

COVENANTS

7.1 Access to Facilities, Files and Records. At the reasonable request of Buyer, and upon reasonable advance notice, Seller shall from time to time prior to the Closing give or cause to be given to the officers, employees, accountants, counsel and other authorized representatives of Buyer (i) full access during normal business hours to all books, licenses, agreements, contracts, commitments, records and files of every character pertaining to the Purchased Assets and (ii) all such other information otherwise concerning the Purchased Assets as Buyer may reasonably request. Buyer shall conduct its investigation in a manner designed to avoid any unreasonable interference with the operations of Seller.

7.2 Notice of Proceedings; Agreement to Defend:

(a) Each party to this Agreement will notify the other promptly in writing upon (i) such party's becoming aware of any order, judgment or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby or any complaint seeking such an order, judgment or decree or (ii) such party's receiving any notice from any governmental authority of its intention (A) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the transactions contemplated hereby or (B) to nullify or render ineffective this Agreement or such transactions if consummated.

(b) In the event any Person brings a suit or claim, or commences an action, investigation or other proceeding, which either challenges the validity or legality of this Agreement or the transactions contemplated by this Agreement or any instrument or document contemplated hereby, or seeks damages in connection with such transactions, the parties agree to consult and to cooperate with each other and use all reasonable efforts to defend against such suit, claim, action, investigation or other proceeding and, in the event an injunction or other order is issued in connection with any of the foregoing, to use all reasonable efforts to have such injunction lifted or such order set aside so that the transactions contemplated by this Agreement and the instruments and documents contemplated hereby may proceed.

7.3 Consummation of Agreement. Subject to the provisions of Article 9 of this Agreement, Buyer and Seller shall use all reasonable efforts to fulfill and perform all conditions and obligations on their respective parts to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out.

7.4 Consents and Filings. Buyer and Seller shall give or cause to be given all required notices and use all reasonable efforts to obtain as soon as possible all licenses, permits, consents, approvals, authorizations, qualifications and orders of governmental authorities as may be required or desired in order to enable Seller and Buyer to perform their respective obligations under this Agreement.

7.5 Contest of Taxes. Following the Closing, Buyer shall give Seller prompt notice, including a copy of the relevant portion, of any notice (including, for purposes of this Section, any tax bill, assessment, proposed revision or other similar document) that Buyer receives respecting or relating to the payment of property or sales taxes on the Railcars included in the Purchased Assets relating to any period that ends prior to the Closing Date, and shall allow Seller to respond to such notice, and to contest, negotiate or otherwise settle any claims made by a taxing authority for such taxes. Seller shall give Buyer notice of, including a copy of the relevant portion of, any notice that Seller receives respecting or relating to the payment of property or sales taxes on such Railcars relating to any period that commences on or subsequent to the Closing Date, and shall allow Buyer to respond to such notice, and to contest, negotiate or otherwise settle any claims made by a taxing authority for such taxes. Each of Buyer and Seller shall give to the other prompt notices of, including a copy of the relevant portion of, any notice that it receives respecting or relating to the payment of property or sales taxes on such Railcars relating to a period that includes but does not end on the Closing Date ("Joint Obligation Period"). The party which, pursuant to this Agreement, would pay the larger portion of the amounts asserted under a Joint Obligation Period notice shall have the right to respond to any such notice and to contest, negotiate or otherwise settle any claims made by a taxing authority for taxes under such notice; provided, however, that (a) where a notice covers both such Railcars and other property and applicable procedures permit separate protests or proceedings with respect to separate items of property on such notice, the right to respond to and to contest such notice with respect to such Railcars shall be determined as if separate notices had been received with respect to such Railcars and such other property, and (b) the party with the right to contest, negotiate or otherwise settle any Joint Obligation Period notice shall consult with the other party prior to taking any action or permitting any right to lapse through inaction, and shall otherwise take reasonable steps to keep the other party informed or any proceedings involving such Joint Obligation Period notice.

7.6 Records. Seller shall deliver to Buyer the Records pertaining to the Purchased Assets as promptly as practicable (or a copy of such Records), but in no event later than 10 days after receipt of such Records from CRTC.

ARTICLE 8

SURVIVAL; INDEMNIFICATION

8.1 Survival. All representations and warranties, covenants and agreements contained in this agreement or in the certificates of Buyer and Seller to be delivered at the Closing, the Bill of Sale and Assignment and the Assumption of Liabilities (the "Other

Documents") shall survive and not be affected in any respect by the Closing or by any investigation conducted by any party hereto and any information which any party may receive.

8.2 Indemnification. The parties shall indemnify each other as set forth below:

(a) Seller hereby agrees to indemnify and hold harmless Buyer from, and to reimburse Buyer for, any and all losses, damages, liabilities and claims, and fees, costs and expenses of any kind related thereto, including reasonable attorneys' fees ("Losses") which are the direct result of (i) the breach as of the Closing Date of any representation or warranty of Seller contained in Article 3 of this Agreement, (ii) the breach by Seller of or failure by Seller to perform any of its obligations contained in this Agreement or any of the Other Documents or (iii) any failure by Seller to pay or discharge when due any liability or obligation of Seller that is not assumed by Buyer in or pursuant to this Agreement or any of the Other Documents.

(b) Buyer hereby agrees to indemnify and hold harmless Seller from any and all Losses which are the direct result of (i) the breach as of the Closing Date of any representation or warranty of Buyer contained in Article 4 of this Agreement, (ii) the breach by Buyer of or failure by Buyer to perform any of its obligations contained in this Agreement or any of the Other Documents, (iii) any failure by Buyer to pay or discharge any liability or obligation assumed by it in or pursuant to this Agreement or any of the Other Documents or (iv) any failure by Buyer to pay or discharge any other liabilities, obligations and duties (and asserted liabilities, obligations or duties) whether fixed, contingent or otherwise, accruing, arising, incurred or to be performed after the Closing Date in any way associated with, relating to or arising out of ownership or operation of the Purchased Assets after Closing.

(c) As promptly as reasonably practicable after Buyer or Seller shall receive any notice of, or otherwise become aware of, the commencement of any action, suit or proceeding, the assertion of any claim, the occurrence of any event, the existence of any fact or circumstance or the incurrance of any Loss, for which indemnification is provided for by this Section 8.2 (an "Indemnified Event"), the party entitled to indemnification (an "Indemnified Party") shall give written notice (an "Indemnification Claim") to the party from which indemnification is sought (an "Indemnifying Party") describing in reasonable detail the basis of such Indemnification Claim. If the Indemnifying Party is not so notified by the Indemnified Party within 30 calendar days after the date of an executive officer of the Indemnified Party's receipt of notice of, or an executive officer of the Indemnified Party's becoming aware of, any Indemnification Event, the Indemnifying Party shall be relieved of liability hereunder to any Indemnified Party in respect of such Indemnification Event, or the facts or circumstances giving rise thereto, to the extent, (but only to the extent) the Indemnified Party is actually prejudiced or damaged thereby. If such Indemnification Claim involves the claim of any third party, the Indemnifying Party shall be entitled to participate in, and assume sole control over, the defense and settlement of such claim; provided, however, that (i) the Indemnified Party shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim; (ii) the Indemnifying Party shall thereafter consult with the Indemnified Party upon Indemnified Party's reasonable request for such consultation from time to time with respect to such claim; and (iii) the Indemnifying Party shall obtain the prior written approval of the Indemnified Party, which shall not be unreasonably withheld or

delayed, before entering into any settlement of such claim or ceasing to defend against such claim, if as a result of such settlement injunctive or other equitable relief would be imposed against the Indemnified Party. After written notice by the Indemnifying Party to the Indemnified Party of its election to assume control of the defense of any such claim, the Indemnifying Party shall not be liable to such Indemnified Party hereunder for any legal expenses subsequently incurred by such Indemnified Party in connection therewith. If the Indemnifying Party does not assume sole control over the defense or settlement of such claim as provided in this Section 8.2(c) within a reasonable period of time, the Indemnified Party shall have the right to defend and, upon obtaining the written consent of the Indemnifying Party which shall not be unreasonably withheld or delayed, settle the claim in such manner as it may deem appropriate, and the Indemnifying Party shall promptly reimburse the Indemnified Party therefor in accordance with Section 8.2(a) or (b), as appropriate. The Indemnifying Party shall not be liable under this Section 8.2 for any settlement or compromise effected without its consent (provided the Indemnifying Party has not breached its obligations under this Section 8.2).

(d) In the event of any Indemnification Claim involving the claim of any third party, the Indemnified Party shall cooperate (and shall cause its Affiliates to cooperate) in all reasonable respects with the Indemnifying Party in the defense of any such claim under this Section 8.2. Without limiting the generality of the foregoing, the Indemnified Party shall furnish the Indemnifying Party with such documentary or other evidence as is then in its or any of its Affiliates' possession as may reasonably be requested by the Indemnifying Party for the purpose of defending against any such claim.

(e) Upon payment of any amount pursuant to any Indemnification Claim, the Indemnifying Party shall be subrogated, to the extent of such payment, to all of the Indemnified Party's rights of recovery against any third party (other than any Affiliate or permitted assignee) with respect to the matters to which such Indemnification Claim relates.

ARTICLE 9

TERMINATION

9.1 Mutual Agreement. This Agreement may be terminated at any time prior to the Closing by the written agreement of Seller and Buyer.

9.2 Unilateral Termination. This Agreement may be terminated by Buyer or Seller giving notice of termination to the other at any time after January 31, 1994, if the Closing has not occurred by that date.

9.3 Effect of Termination. Except for the terms of Sections 10.2 and 10.7 hereof, which shall survive any termination of this Agreement, upon the termination of this Agreement pursuant to this Article 9, this Agreement shall forthwith become null and void, and no party hereto or any of its officers, directors, employees, agents, consultants, stockholders or principals shall have any rights, liabilities or obligations hereunder or with respect hereto; provided, however, that nothing contained in this Article 9 shall relieve any party from liability

for any willful failure to comply with any covenant or agreement contained herein (and the terms of Article 8 hereof shall apply to any such failure).

ARTICLE 10

MISCELLANEOUS

10.1 Exclusivity of Representations; Reliance on Representations. (a) THE REPRESENTATIONS AND WARRANTIES MADE BY SELLER IN THIS AGREEMENT ARE IN LIEU OF AND ARE EXCLUSIVE OF ALL OTHER REPRESENTATIONS AND WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE AND ANY OTHER IMPLIED WARRANTIES OF SELLER. SELLER HEREBY DISCLAIMS ANY SUCH OTHER OR IMPLIED REPRESENTATIONS OR WARRANTIES, NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO BUYER OR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES OF ANY DOCUMENTATION OR OTHER INFORMATION BY SELLER OR ANY OTHER PERSON IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(b) Buyer represents to Seller that in making its decision to enter into this Agreement and purchase the Purchased Assets, it is not relying on any information provided or statements made by Seller or any of its agents, representatives, employees or Affiliates other than the specific representations and warranties made by Seller in this Agreement.

10.2 Expenses. Except as expressly contemplated by this Agreement, each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including, without limitation, accounting and legal fees incurred in connection herewith. Buyer shall pay, or reimburse Seller for, (i) any sales, use, transfer, stamp, documentary, recording, registration or similar Taxes arising from the transfer of the Purchased Assets to Buyer and (ii) any filing or recording fees in connection with the transfer of the Purchased Assets to Buyer. Buyer and Seller agree to cooperate in order to minimize any Taxes that may be applicable to the transfer of Purchased Assets.

10.3 Bulk Sales Laws. Buyer hereby waives compliance with the provisions of any applicable bulk sales law. Seller agrees to indemnify and hold harmless Buyer from any loss, liability, cost or expense which may result from non-compliance with any applicable bulk sales law.

10.4 Further Assurances. From time to time prior to, at and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party, being advised by counsel, shall reasonably request in connection with carrying out and effectuating the intent and purpose hereof and all transactions and things contemplated by this Agreement, including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary or desirable to complete the transactions contemplated hereby.

10.5 Notices. Notices and other communications provided for herein shall be in writing (which shall include notice facsimile transmission) and shall be delivered or mailed (or if by facsimile communications equipment of the sending party hereto, delivered by such equipment), addressed as follows:

If to Seller:

Allied Railcar Company
6 West Hubbard, Suite 500
Chicago, Illinois 60610

Attention: President
Fax: 312-222-1470

If to Buyer:

Allied Enterprises, Inc.
107 N. Commercial Street
Springdale, AR 72764

Attention: R. A. Hannold
Fax: 501-751-7603

or to such other address as a party may from time to time designate in writing in accordance with this Section. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt, provided that any notice or communication that is received after 5:00 p.m. during regular business hours of the recipient shall be deemed to have been given at the opening of business on the next business day of the recipient.

10.6 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

10.7 Law Governing. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Illinois (without regard to the conflicts of law principles thereof).

10.8 Waiver of Provisions. The terms, covenants, representations, warranties and conditions of this Agreement may be waived only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provisions of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the

breach of any provision, term, covenant, representation or warranty contained in this agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation, or warranty of this Agreement.

10.9 Counterparts. This Agreement may be executed in several counterparts, and all counterparts so executed shall constitute one agreement, binding on the parties hereto, notwithstanding that the parties are not signatories to the same counterpart.

10.10 Entire Agreement; Amendment. This Agreement constitutes the entire agreement among the parties or their Affiliates with respect to the matters contained herein and supersedes and cancels any and all prior agreements relating to such matters between them and may not be amended or modified except in a writing signed by Buyer and Seller.

10.11 Access to Book and Records. After the Closing Date, Buyer shall, upon the request and at the expense of Seller in connection with the preparation by Seller of tax returns and for such other purposes as Seller shall reasonably request, (i) provide to the officers and other authorized representatives of Seller full access, during normal business hours, to any and all premises, properties, files, books, records, documents and other information relating to the Purchased Assets, (ii) furnish to Seller and its authorized representatives any and all financial, technical and operating data and other information pertaining to the Purchased Assets, (iii) make available to Seller and its authorized representatives personnel of Buyer to consult with such persons and (iv) make available for inspection and copying by Seller true and complete copies of any documents relating to the foregoing. In exercising its rights under the foregoing provisions of this Section 10.11, Seller and its representatives shall not interfere with Buyer's normal operations. Buyer shall retain the files, books, records and documents relating to the Purchased Assets for at least five years after the Closing Date. Thereafter, Buyer shall give Seller at least 45 business days prior written notice of the proposed destruction of any such files, books, records or documents and, at the request and expense of Seller shall deliver to Seller any of such files, books, records or documents that Seller may reasonably request.

10.12 No Third Party Beneficiary. Except as provided in Section 2.5 and Section 10.13, this Agreement is not intended and shall not be construed to confer upon any Person other than the parties thereto and their permitted assigns any rights or remedies hereunder.

10.13 Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

10.14 Assignment. Either party may assign its rights under this Agreement, but any assignment shall not affect the obligations of the assignor. Seller may assign its rights under this Agreement to a source of financing for the Assets; upon receiving notice of such assignment, Buyer agrees not to consent to any amendment to this Agreement or any waiver of Buyer's obligations under this Agreement without the consent of such assignee and agrees that such assignee may enforce this Agreement on behalf of Seller.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their duly authorized officers, all as of the date and year first written above.

ALLIED RAILCAR COMPANY

By 
Title: Vice President

ALLIED ENTERPRISES, INC.

By 
Title: Pres

EXHIBITS

EXHIBIT A	CRTC AGREEMENT
EXHIBIT B	CLAIMS ADMINISTRATION AGREEMENT
EXHIBIT C	PURCHASED ASSETS
EXHIBIT D	BILL OF SALE AND ASSIGNMENT
EXHIBIT E	ASSUMPTION OF LIABILITIES
SCHEDULE 2.6	RAILCARS UNDER REPAIR
SCHEDULE 2.8	DELIVERY STATES

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of December 3, 1993, between CHRYSLER RAIL TRANSPORTATION CORPORATION, a Delaware corporation ("Seller"), and ALLIED RAILCAR COMPANY, an Illinois corporation ("Buyer").

Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, certain assets of Seller, on the terms and conditions set forth in this Agreement.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1

DEFINITIONS

1.1 Defined Terms. The following terms have the meanings specified in this Article 1 for all purposes of this Agreement.

"AAR" means the Association of American Railroads.

"AAR Certificate of Sale" means AAR Form 88-C-5-1, Record of Certification of Other than New Railcars Sold for Use in Interchange Service substantially in the form of Exhibit A.

"Affiliate" means, as to any specified Person, any other Person which, directly or indirectly, controls, is controlled by or is under common control with, such specified Person. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means this Asset Purchase Agreement, including all Exhibits and Schedules hereto.

"Assets" means the assets, which shall consist of the Computers, the Contract, Leases, Lease Security Deposits, Management Agreements, Marks, Marks Agreements, Railcars, Records and Warranties to be acquired by Buyer or Interail, Inc. ("Interail"), as the case may be, pursuant to and in accordance with this Agreement.

"Assumed Contracts" means, collectively, the Contract, Leases, Management Agreements, Marks Agreements and items listed on Part II of Schedule 5, and each is an "Assumed Contract".

"Closing" means the completion of the purchase of the Assets and the assumption of the Assumed Obligations by Buyer.

"Closing Date" means the date and time at which the Closing occurs.

"Computers" means, collectively, the computers listed on Part I of Schedule 5 and the software listed on Part II of Schedule 5.

"Contract" means the Agreement, dated April 30, 1990, between Seller and Railcar Management, Inc., as such agreement may be amended from time to time.

"Destroyed Railcar" or "Destroyed Railcars" means one or more than one Railcar that is destroyed, irretrievably lost, or damaged beyond repair prior to the Closing.

"Effective Time" means 12:00 a.m. Chicago time on December 3, 1993.

"Lease" or "Leases" means, respectively, one or more than one of the lease agreements, usage or other agreements or contracts with respect to the employment of Railcars listed on Schedule 2, including all master lease agreements, schedules, riders, amendments, additions, addenda or modifications thereto, to the extent the foregoing relate to the Railcars.

"Lease Security Deposits" means security deposits or prepayments which function as the equivalent of security deposits, if any, received by Seller from Lessees under the Leases prior to the Closing Date, which have not been refunded or applied prior to the Closing Date.

"Lessee" means a lessee, sublessee or similar party under a Lease.

"Management Agreement" or "Management Agreements" means, respectively, one or more than one of the agreements providing for the management of Railcars or railcars which are listed on Schedule 3 (including any schedules, riders, amendments, additions, addenda or modifications thereto).

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"Mark" or "Marks" means, respectively, one or more than one of the following reporting marks: DVS, MPA and Miss.

"Marks Agreement" or "Marks Agreements" means, respectively, one or more than one of the agreements relating to the use of certain railroad reporting Marks and which are listed on Schedule 4 to the extent relating to the Railcars.

"Permitted Liens" means (i) mechanics', carriers', materialmen's and other similar liens arising or incurred in the ordinary course of business, (ii) liens for Taxes not yet due and payable (or due but payable without penalty) or that are being contested in good faith, (iii) liens arising or resulting from any action taken by Buyer or any of its Affiliates, (iv) liens created by, arising out of or specifically permitted by this Agreement or any Assumed Contract, and (v) liens arising pursuant to the Revolving Credit Agreement and related agreements, which liens will be released at the Closing.

"Person" means any individual, entity, corporation, partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof.

"Railcar" or "Railcars" means, respectively, one or more than one of the railcars listed on Schedule 1.

"Records" means (i) all Certificates of Construction, R-1 Forms, Drawings of General Arrangement, maintenance records and UMLER records in the possession or control of Seller to the extent the foregoing relate to the Railcars, and (ii) copies of all property tax bills, reports or renditions in the possession or control of Seller for calendar years 1992 and 1993 to the extent such bills, reports or renditions relate to the Railcars.

"Revolving Credit Agreement" means the Combined Amended and Restated Revolving Credit Agreement, dated as of July 29, 1992, among Chrysler Financial Corporation, Chemical Bank, Swiss Bank Corporation and the other banks listed therein, as it may be amended from time to time.

"Seller's Knowledge" means the actual knowledge, without independent investigation, of any of Seller's management employees.

"Taxes" means all taxes, charges, fees, levies, imposts, duties and other assessments imposed by any federal, state, local, or foreign governmental authority, including, without limitation, any income, gross receipts, sales, use, ad valorem, value-added, franchise, registration, title, license, capital, paid-up capital, profits, withholding, payroll, employment, excise, severance, stamp, occupation, premium, real property, or personal property tax, together with any interest, penalties, or additions to tax.

"Transition Agreement" means that Transition Agreement between Interail and Seller in substantially the form of Exhibit B.

"UMLER" means that certain industry wide record system known as the Universal Machine Language Equipment Register.

1.2 Article, Section, Exhibit and Schedule References. References to "Articles," "Sections," "Exhibits" and "Schedules" shall be to Articles, Sections, Exhibits and Schedules, respectively, of or to this Agreement, as the case may be, unless otherwise specifically provided.

1.3 Singulars and Plurals. Any of the terms defined in Section 1.1 or elsewhere in this Agreement may, unless the context otherwise requires, be used in the singular or the plural depending on the reference.

ARTICLE 2

PURCHASE OF ASSETS AND CLOSING

2.1 Transfer of Assets. On the terms and subject to the conditions set forth in this Agreement including, without limitation Section 2.9, Seller shall sell, assign, convey or otherwise transfer to Buyer (or, in the case of the Management Agreements listed on Part II of Schedule 3 to the extent such Management Agreements relate to managed railcars, to Interail) without recourse, representation or warranty, except as otherwise expressly provided herein, and Buyer (or, in the case of the Management Agreement listed on Part II of Schedule 3 to the extent such Management Agreements relate to managed railcars, Interail) shall purchase and acquire, on the Closing Date:

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(a) All of the right, title and interest of Seller in and to the Railcars;

(b) All manufacturer's and repairman's warranties to the extent that they relate to the Railcars and are assignable without the consent of any such manufacturer or repairman (the "Warranties");

(c) All of the right and interest of Seller under the Contracts;

(d) All of the right and interest of Seller as a lessor of Railcars under the Leases;

(e) All of the right and interest of Seller under the Management Agreements listed on Part I of Schedule 3 (to the extent such Management Agreements relate to Railcars);

(f) All of the right, title and interest of Seller in and to the Records;

(g) All of the right, title and interest of Seller in, to and under the Marks and the right and interest of Seller under the Marks Agreements;

(h) All of the right, title and interest, as applicable, of Seller in and to the Computers;

(i) All of the right and interest of Seller in and to the Lease Security Deposits; and

(j) The right to receive payments in respect of Destroyed Railcars pursuant to Section 2.4.

2.2 Excluded Assets. Seller shall not sell, and Buyer shall not acquire, any interest in (collectively, the "Excluded Assets"):

(a) any of Seller's assets not described in Section 2.1, including without limitation the following, (i) the name "Chrysler", the name "Chrysler Rail Transportation Corporation" or any logo or variation of either thereof, or any right to use the foregoing, (ii) the goodwill of Seller or any of Seller's Affiliates, (iii) duplicate copies of the Records, (iv) any computer software other than the items listed on Part II of Schedule 5, (v) customer lists of Seller or any of

Seller's Affiliates, and (vi) any parts inventory located at Seller's railcar repair facility in Dyersburg, Tennessee;

(b) any amounts owed or payable to Seller with respect to the Railcars (other than Destroyed Railcars), Assumed Contracts or Warranties which are attributable to the period up to the Effective Time (whether due from any Lessees, managers, Marks owners, carriers or other third parties or other Persons); and

(c) any claim or right which Seller has or may have the right to assert against any Person under any Assumed Contracts or otherwise (including under any insurance contract or manufacturer's or repairman's warranty), insofar as such claim or right relates to assets not purchased by Buyer or obligations or liabilities not assumed by Buyer.

2.3 Purchase Price.

(a) Buyer shall pay to Seller for the Assets the amount, in dollars, equal to (i) fifty-three million six hundred thousand dollars (\$53,600,000), less (ii) two thousand two hundred fifty dollars (\$2,250) multiplied by the total number of cars listed on Schedule 4.5 (the "Purchase Price").

(b) In accordance with the terms and conditions of this Agreement, at Closing Buyer shall pay to Seller the Purchase Price in cash by wire transfer of immediately available funds in accordance with the wire transfer instructions delivered to Buyer from Seller at least one business day prior to Closing.

2.4 Compensation for Destroyed Railcars. Buyer agrees that there shall not be any adjustment to the Purchase Price in the event any Railcar is a Destroyed Railcar and further agrees that its sole compensation for the acquisition of any Railcar which is a Destroyed Railcar shall be the amount paid or payable to the owner thereof in respect of such Destroyed Railcar under the rules of the AAR or the terms of the applicable Lease (all rights of Seller in and to such amounts are assigned to Buyer). Buyer acknowledges and agrees that Seller's sole obligation with respect to any payments that may be due to Buyer in respect of Destroyed Railcars (except as expressly provided in the preceding sentence) is to pay to Buyer an amount equal to the amount, if any, which Seller receives from any Person in respect

of such Destroyed Railcar under the rules of the AAR or the terms of the applicable Lease.

2.5 Assumption of Obligations. Subject to the terms and conditions of this Agreement, on the Closing Date Buyer shall assume and thereafter perform and discharge:

(a) all liabilities, obligations and duties of Seller incurred, accrued, arising or to be performed at or after the Effective Time under the Assumed Contracts (it being understood and agreed that Buyer shall not assume any obligation under any Assumed Contract to the extent it relates to an obligation which arose prior to the Effective Time except as contemplated hereby); and

(b) all other liabilities, obligations and duties (and asserted liabilities, obligations or duties), whether fixed or contingent, (i) accruing at or after the Effective Time or (ii) for, upon or otherwise with respect to an event or circumstance to the extent occurring at or after the Effective Time, and, in each case, in any way associated with, related to or arising out of, the Assets (collectively, the "Assumed Obligations").

Any duty, liability or obligation relating to or arising out of the Assets which is not an Assumed Obligation is an "Excluded Obligation." Without limiting the foregoing, Excluded Obligations shall include (i) any obligations to or with respect to any employees of Seller, (ii) any claims or litigation against Seller to the extent arising out of an event or circumstance occurring prior to the Effective Time and not expressly assumed by Buyer under this Agreement, (iii) any other liabilities or obligations to the extent pertaining to any period prior to the Effective Time and not expressly assumed by Buyer under this Agreement, and (iv) any Tax liabilities of Seller arising out of its ownership of the Assets prior to the Effective Time.

2.6 Allocation of Revenues and Expenses.

(a) Subject to Section 2.4, all revenues or expenses relating to the Assets allocable to the period prior to the Effective Time shall be for the account of Seller. All revenue or expenses relating to the Assets allocable to the period from and after the Effective Time shall be allocable to the Buyer. Seller shall be solely responsible for the discharge

of any obligation secured by a Permitted Lien of the type referred to in clause (i) of the definition of Permitted Lien to the extent the obligation relates to an expense or liability incurred prior to the Effective Time which is allocable to Seller pursuant to this Section 2.6. Except for the items governed by Sections 2.4 and 2.6(b), revenues from the Assets shall be allocated to the period in which they were earned (whether or not billed during such period) and expenses paid or payable with respect to the Assets shall be allocated to the period in which the event giving rise to such expenses occurred (whether or not such expenses were paid or payable during such period).

(b) The following items of revenue or expense shall be governed by the special allocation rules set forth in the remainder of this Section 2.6(b).

(i) Personal property taxes with respect to the Railcars shall be allocated as follows: all such taxes relating to the period ending at the Effective Time shall be allocable to the account of Seller, and all such taxes relating to subsequent periods shall be allocable to the account of Buyer.

(ii) To Seller's Knowledge, Schedule 2.6(b)(ii) sets forth a list of all Railcars that are awaiting or undergoing repairs (other than running repairs) as of November 30, 1993 and all Railcars that Seller has been informed are in transit for such repairs as of such date. The amount of any costs and expenses associated with repairs to all Railcars that are awaiting or undergoing repairs (other than running repairs) as of the Effective Time and all Railcars that Seller has been informed are in transit for such repairs which repairs are necessary to restore such Railcars, in a manner consistent with Seller's past practices as determined in the sole reasonable discretion of Gene Eadus, to at least average condition and repair for their age and type (compared to the United States' fleet of railcars of similar age and type as a whole) shall be allocated one-half to the account of Seller and one-half to the account of Buyer. All other repairs to such Railcars authorized by Buyer shall be for the account of Buyer.

(c) If Seller or Buyer shall make or has made any payment or payments with respect to the Assets, and any portion of said payment or payments is in satisfaction of a liability or expense that is, in accordance with the terms hereof, properly

payable by the other, or if any portion of such payment is a security deposit or a prepayment which functions as an equivalent of a security deposit for any payment not then due, the party making such payment, deposit or prepayment will be promptly reimbursed by the other upon receipt of notice of such payment having been made. If Seller or Buyer shall receive any payments with respect to the Assets and the other party is entitled under this Agreement to receive such payment, the party receiving such payment shall promptly deliver such payment to the other party. The parties shall cooperate with each other to effect any such reimbursements and payments, and to cause a preliminary accounting with respect to any amounts then owed under Section 2.6 to be prepared:

(i) for the period terminating with the last day of the first full calendar month after the Closing Date, on the last day of the second full month following the Closing with respect to payments made or received during the initial period, and

(ii) thereafter, until no further reimbursements are required, on the last day of each month with respect to payments made or received during the prior month for each month commencing with the second full calendar month following the Closing.

2.7 Closing. Unless the parties shall agree in writing upon a different location, time or date, the Closing shall take place at the offices of Schiff Hardin & Waite, 7200 Sears Tower, Chicago, Illinois (or such other place as Buyer and Seller shall mutually designate), at 10:00 A.M. on December 3, 1993, or such later date, not later than December 31, 1993 as Buyer and Seller shall mutually agree. The term "Closing Date" means the date and time at which the Closing occurs.

2.8 Deliveries at Closing.

(a) At the Closing, Seller shall deliver to Buyer (i) the Leases, Management Agreements (other than those related to managed railcars), Contract and Marks Agreements and such bills of sale, endorsements, and instruments of conveyance, transfer and assignment as are necessary to transfer to Buyer (or Interail, in the case of Management Agreements for managed railcars) all of the right, title and interest of Seller in and to the Assets in accordance with this Agreement and (ii) all other instruments and documents which are expressly required

pursuant to this Agreement to be executed and delivered by Seller at the Closing. Buyer acknowledges that Seller is under no obligation to physically deliver the Railcars or any other Asset (other than as specified above) at the Closing and thereafter any physical delivery of any of the Assets (other than the Records) shall be at Buyer's expense.

(b) Seller and Buyer acknowledge that at the time of Closing the Railcars are in the possession of Lessees or at various locations on the railroad interchange system and that physical delivery at Closing is not practicable. Accordingly, Buyer and Seller agree that each Railcar shall be deemed delivered from Seller to Buyer under this Agreement, without any further action by Seller or Buyer, on the earlier of (i) the first day that such Railcar is present in any of the states listed on Schedule 2.8(b) or (ii) December 31, 1994. This provision shall have no effect on title, risk of loss or any other rights and obligations with respect to the Railcars, all of which shall pass from Seller to Buyer at the Closing (or as otherwise provided by Section 2.9). Buyer agrees that Seller shall have no liability or obligation to Buyer for any Losses to Buyer which arise out of or relate to this Section 2.8(b).

(c) At Closing, Buyer shall deliver to Seller (i) the Purchase Price, (ii) such assumptions or other instruments necessary or appropriate to effect Buyer's assumption of the Assumed Obligations (and, in the case of Management Agreements for managed railcars, Interail's assumption of Seller's obligations under such Management Agreements), and (iii) all other instruments and documents which are expressly required pursuant to this Agreement to be executed and delivered by Buyer at the Closing.

2.9 Restricted Assets. (a) Anything in this Agreement to the contrary notwithstanding, if an attempted assignment or transfer by Seller of its right, title and interest in, to and under, as applicable, any Asset to Buyer or Interail, as the case may be, as contemplated by this Agreement, without the consent or approval of any necessary party (together with the Amendment to the Management Agreement, dated as of September 9, 1986, between Seller and Provco Leasing Group in substantially the form attached hereto as Exhibit P, a "Consent"), would constitute a breach thereof or a default thereunder by Seller (and such Consent has not been obtained) then:

(i) Subject to Section 2.9(c), Seller shall not sell, transfer or assign to Buyer or Interail, as the case may be, its right, title and interest in, to and under, as applicable, such Asset and the related Railcar, if applicable (a "Restricted Asset"); and Buyer or Interail, as the case may be, shall not assume any liabilities or obligations associated with such Restricted Asset (and such liabilities or obligations shall not be deemed to be an Assumed Obligation), in each case unless and until such time (but in any event not prior to the Closing Date) as all necessary Consents to the assignment or transfer of such Restricted Asset to Buyer or Interail, as the case may be, as contemplated hereunder are obtained.

(ii) In the event that all necessary Consents to the assignment or transfer to Buyer or Interail, as the case may be, of a Restricted Asset as contemplated hereunder are obtained, all right, title and interest of Seller, in, to and under, as applicable, the relevant Restricted Asset shall be assigned or transferred to Buyer or Interail, as the case may be, and Buyer or Interail, as the case may be, shall assume the liabilities and obligations of Seller under such Restricted Asset to be performed by Seller at and after the Effective Time as contemplated hereby or under the Interail Assumption Agreement, or, if such Consents are obtained after the Closing Date, such right, title and interest and such liabilities and obligations shall thereupon automatically be deemed to have been so assigned, transferred and assumed as of the Effective Time.

(b) Seller will use all reasonable efforts (not including the expenditure of money, or the payment or delivery of other consideration by Seller) to obtain the Consents necessary for the assignment or transfer of all Restricted Assets to Buyer or Interail, as the case may be, as promptly as practicable after the Closing Date.

(c) If any Consents are not obtained by the Closing Date, Seller shall use all reasonable efforts (not including the expenditure of money, or the payment or delivery of other consideration by Seller) to provide for and at the expense of Buyer or Interail, as the case may be, to the maximum extent permitted by applicable law and the relevant Restricted Assets, the benefits that would otherwise accrue to Seller under such Restricted Asset following the Closing Date, including without limitation, to the maximum extent permitted by applicable law and the relevant Restricted Asset,

(i) enforcement, at the cost of Buyer or Interail, as the case

may be, of any and all rights of Seller against the other party or parties to such Restricted Asset and (ii) the payment over to Buyer or Interail, as the case may be, of all amounts paid to Seller after the Closing Date with respect to such Restricted Asset (other than any amounts so received by Seller that constitute Excluded Assets). Each of Buyer and Interail agrees that, so long as it is receiving in all material respects the benefits of any Restricted Asset described in clause (ii) of the preceding sentence, Buyer or Interail, as the case may be, will fully pay, perform and discharge when due all of Seller's obligations thereunder which Buyer or Interail, as the case may be, would have otherwise been required to pay or perform had Seller transferred the Restricted Assets to Buyer or Interail, as the case may be, in accordance with this Agreement. At Buyer's direction and expense, Seller shall exercise any rights of termination it may have with respect to any Assumed Contract which is a Restricted Asset; provided however, that (w) Seller shall not be required to act at Buyer's direction unless and until Buyer shall have agreed to indemnify and hold harmless Seller and its Affiliates from any and all losses, costs and expenses, including legal fees, arising out of, based upon or resulting from the taking by Seller of such action at Buyer's direction (such indemnity to be in form and substance satisfactory to Seller), and (x) upon exercise of such right of termination Buyer shall no longer be entitled to any refund of the purchase price to which it would otherwise be entitled under Section 2.9(e) with respect to such terminated Assumed Contract and any related Restricted Asset. Simultaneously with the execution and delivery of this Agreement, Seller is executing and delivering to Buyer a limited power of attorney in the form of Exhibit M to request any required Consents of third parties to permit the assignment to Buyer (or any assignee of Buyer) of all right, title and interest in, to and under any Restricted Asset. If all Consents to the Restricted Assets have not been obtained prior to the liquidation of Seller, Seller shall cause one of its Affiliates to execute and deliver to Buyer an appropriate substitute limited power of attorney and upon such delivery, Buyer shall deliver the original power of attorney to Seller for destruction.

(d) Buyer shall have no right to terminate this Agreement or to refuse to effect the Closing as a result of the failure to obtain any Consent with respect to the assignment of any Restricted Asset hereunder.

(e) Subject to Section 2.9(f), if all necessary consents for the assignment or transfer of the Restricted Assets to Buyer or Interail, as the case may be, as contemplated hereunder are not obtained by the Closing Date, Buyer shall have the right, exercisable by written notice delivered to Seller (a "Refund Notice") at any time not earlier than 120 days after the Closing Date nor later than (i) 180 days after the Closing Date, in the case of any Restricted Asset the Consent for assignment of which is disclosed on the Disclosure Schedule, or (ii) 365 days after the Closing Date, in the case of any Restricted Asset the Consent for assignment of which is not disclosed on the Disclosure Schedule, to require Seller, on a date (the "Refund Date"), not earlier than 15 days nor later than 45 days from the date of delivery of the Refund Notice, which date is designated in the Refund Notice, to refund a part of the Purchase Price to Buyer in an amount equal to the amount set forth on Schedule 2.9 attributable to the applicable Restricted Asset ("Repurchase Price"), plus interest on such amount accrued at a rate of 5% per annum from the Closing Date through the date the Repurchase Price is delivered to Buyer, for each Restricted Asset designated in the Refund Notice with respect to which all Consents to the transfer of such Restricted Asset to Buyer or Interail, as the case may be, as contemplated by this Agreement have not been obtained by the Refund Date (a "Refunded Restricted Asset"). From and after the date Buyer shall receive the Repurchase Price, Seller shall have no further obligation to provide to Buyer or Interail, as the case may be, the benefits accruing under any Refunded Restricted Asset and Buyer or Interail, as the case may be, shall not have any further obligation to perform Seller's obligations thereunder or incur any expense in connection therewith, in each case as provided in Sections 2.9(b) and 2.9(c) of this Agreement. Notwithstanding anything in this Agreement to the contrary, all revenues and expenses associated with a Refunded Restricted Asset shall be for the account of Seller. On the Refund Date, Buyer or Interail, as the case may be, shall pay to Seller an amount equal to any amounts paid over to Buyer or Interail, as the case may be, pursuant to Section 2.9(c)(ii) in respect of such Refunded Restricted Asset.

(f) The provisions of Section 2.9(e) shall not apply to any computer software listed on Part II of Schedule 5 ("Software"). Seller and Buyer acknowledge that, simultaneously with the execution and delivery of this Agreement, it is the intent of Buyer to transfer to all of its rights to acquire the Software to Interail. If all necessary consents for the

assignment or transfer of any Software to Interail are not obtained by the Closing Date, then, upon request from Interail, Seller shall obtain, at its expense and as soon as reasonably practicable, the right for Buyer to use software substantially equivalent to the Software to the extent necessary for Buyer to manage the Railcars or railcars consistent with Seller's current practices. The provisions of this Section 2.9(f) shall constitute the sole and exclusive remedy of Buyer and Interail with respect to the failure to obtain a Consent to assign or transfer any Software.

(g) The provisions of this Section 2.9 shall constitute the sole and exclusive remedy of Buyer and Interail with respect to any breach of the representations and warranties of Seller set forth in Sections 3.2(i)(B), 3.2(i)(C), 3.3 and 3.14 that may be deemed to arise by reason of the fact that any Consent is required to transfer any Asset to Buyer or Interail as contemplated by this Agreement.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

IT IS THE INTENT AND AGREEMENT OF THE PARTIES HERETO THAT THE ASSETS ARE BEING SOLD ON AN "AS IS," "WHERE IS," "WITH ALL FAULTS" BASIS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES EXCEPT AS EXPRESSLY PROVIDED IN THIS ARTICLE 3. Subject to the foregoing, Seller hereby represents and warrants to Buyer that, except as set forth on the Disclosure Schedule (which Disclosure Schedule shall be divided by, and its entries shall clearly refer to, the Section of this Agreement to which a particular entry relates, provided, however, that any item disclosed in any section of the Disclosure Schedule shall be deemed disclosed in all applicable sections of the Disclosure Schedule):

3.1 Corporate Status. Seller is a corporation validly existing and in good standing under the laws of the State of Delaware. Seller has the corporate power and corporate authority to own and lease the Assets owned or leased by it.

3.2 Authority; Binding Effect. Seller has the corporate power and corporate authority to execute and deliver this Agreement and the other instruments and agreements required or contemplated herein to be executed and delivered by it at the Closing, to perform its obligations hereunder and thereunder,

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and to consummate the transactions provided for herein and therein, and all corporate action of Seller necessary for the making and performance of this Agreement and such other instruments and agreements by it has been duly taken. The execution, delivery and performance of this Agreement and such other instruments and agreements by Seller, and the consummation by Seller of the transactions contemplated hereby and thereby, do not and will not (i) (A) contravene any provisions of the Certificate of Incorporation or by-laws of Seller, (B) assuming that the Consents set forth in the Disclosure Schedule are obtained, result in any material breach of or material default (or an event which, with notice or lapse of time or both, would constitute a material default) under, or the cancellation of, or the creation of any lien (other than Permitted Liens) under, any Assumed Contract, (C) assuming that the Consents set forth in the Disclosure Schedule are obtained, result in any material breach of or material defaults (or an event which, with notice or lapse of time or both, would constitute a material default) under, or the cancellation of, or the creation of any lien (other than Permitted Liens) under any other material mortgage, indenture, contract, agreement or other instrument to which Seller is a party except for such breaches, defaults, cancellations or liens which would not materially adversely affect Seller's ability to perform its obligations hereunder, or (D) result in any violation by Seller of any law, rule or regulation applicable to it which violation would materially adversely affect Seller's ability to perform its obligations hereunder, (ii) result in any violation by Seller of any judgment, injunction or decree of any court or governmental authority applicable to Seller which violation would materially adversely affect Seller's ability to perform its obligations hereunder, or (iii) require any consent or approval of, notice to or filing, registration or qualification with, any governmental authority (a "Governmental Filing") to be made or obtained by Seller except for (A) [intentionally omitted], (B) Governmental Filings that may be required to be made with the AAR and Interstate Commerce Commission, (C) UCC-3 termination statements, (D) state or local tax filings, (E) any Governmental Filings that may be required to be made as a result of the specific regulatory status of Buyer or as a result of any other facts that relate to the business or activities in which Buyer is or proposes to be engaged, and (F) Governmental Filings the failure of which to make or obtain would not have a material adverse effect on Seller's ability to perform its obligations hereunder. This Agreement has been duly executed and delivered by Seller and the other instruments and agreements required or

contemplated herein to be executed and delivered by Seller at the Closing will be duly executed and delivered by Seller at the Closing. This Agreement constitutes, and at the Closing each of such other instruments and agreements will constitute, the valid and binding obligations of Seller, enforceable against Seller in accordance with their terms.

3.3 Consents From Third Parties. The Disclosure Schedule sets forth all Consents required to be obtained by Seller under the Assumed Contracts for the consummation by Seller of the transactions contemplated by this Agreement.

3.4 Title to Equipment. Seller has good and valid title to all of the Assets free and clear of all liens, security interests and other similar encumbrances other than Permitted Liens. At the Closing Seller shall transfer to Buyer (or Interail, in the case of Management Agreements for managed railcars) good and valid title to all of the Assets free and clear of all liens, security interests and other encumbrances other than Permitted Liens described in clauses (i)-(iv) of the definition of "Permitted Liens".

3.5 Condition of Railcars. Other than Destroyed Railcars, Railcars listed on Schedule 4.5, to the extent that the condition of the Railcar relates to "jack-in-the-box" trucks, and Railcars listed on Schedule 2.6(b)(ii), the Railcars are, in all material respects, in at least average condition and repair for their age and type (compared to the United States' fleet of railcars of similar age and type as a whole).

3.6 Accuracy of Asset Schedules and Information.

(a) Schedule 1 sets forth a list of all Leases, contract numbers, number of Railcars, Railcars and reporting marks thereon, which list is correct and complete in all material respects. Schedule 2 sets forth a list of all Leases, including the contract number, Lessee name, and number of Railcars covered, which list is correct and complete in all material respects. Schedule 3 sets forth a list of all Management Agreements, the leases relating thereto and the railcars subject thereto which list is correct and complete in all material respects. Schedule 4 sets forth a correct and complete list of all Marks Agreements. Schedule 5 sets forth a correct and complete list of all Computers.

(b) Seller has provided to Buyer a true and complete copy of all of the Assumed Contracts.

(c) The information contained on Schedule 6, is correct and complete in all material respects.

3.7 Obligations of Seller Under Assumed Contracts. Seller has performed in all material respects under each of the Assumed Contracts. Seller is not in material breach of any covenant, obligation, duty or condition to be performed or observed by it under any such Assumed Contract, and no condition exists which, with notice or lapse of time or both, would constitute a material default thereunder. To Seller's Knowledge, no party to any Assumed Contract has asserted to Seller in writing that Seller is in default under such Assumed Contract or that such party has any right to counterclaims, defenses or setoffs under such Assumed Contract.

3.8 Obligations of Lessees and Other Contracting Parties Under Assumed Contracts. Each of the Assumed Contracts is valid, binding and enforceable against each Lessee or party thereto other than Seller (the "Other Party"), as the case may be, in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles (including limitations on the availability of specific performance or other equitable remedies). To Seller's Knowledge, the Lessee under each Lease and the Other Party under each other Assumed Contract has performed in all material respects under such Assumed Contract, as the case may be, and is not in material breach of any covenant, obligation, duty or condition to be performed or observed by it under such Assumed Contract, as the case may be, nor does any condition exist which, with notice or lapse of time or both, would constitute a material default thereunder.

3.9 Compliance with Law. Seller has complied in all material respects with all governmental laws, rules and regulations applicable to the Assets.

3.10 Litigation. There is no material action, suit, formal governmental investigation or other proceeding pending or, to Seller's Knowledge, threatened against Seller, at law or in equity, before any federal, state or municipal court, administrative agency or arbitrator which materially adversely affects the Assets or the Assumed Obligations and is reasonably

likely to be adversely determined in a manner which would be material to the Assets, or which would materially impair Seller's ability to perform this Agreement or the other instruments and documents to be executed and delivered by Seller at the Closing.

3.11 Brokers. There is no broker or finder or other Person who has any valid claim against any of the parties to this Agreement for a commission or brokerage fee or the like in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of or action taken by Seller or any of its Affiliates other than The Blackstone Group and The First Boston Corporation, whose fees will be paid by Seller or an Affiliate of Seller.

3.12 Destroyed Railcars. As of November 29, 1993, to Seller's Knowledge, none of the Railcars is a Destroyed Railcar.

3.13 Operations Since October 6, 1993. Since October 6, 1993, Seller has conducted its business operations with respect to the Assets in all material respects in the ordinary course and consistent with past practices.

3.14 Computer Software. The software listed on Part II of Schedule 5, when acquired by Buyer in accordance with this Agreement, will be sufficient in all material respects to enable Interail (assuming it is all transferred to Interail) to manage the Railcars or railcars that it is required to manage under the Management Agreements in a manner substantially consistent with Seller's practices prior to the Closing.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller that:

4.1 Corporate Status. Buyer is a corporation validly existing and in good standing under the laws of the State of Illinois. Buyer has the corporate power and corporate authority to own or lease its properties and assets and the Assets that it will acquire at the Closing and to carry on its business in the manner in which such business is now being conducted and will be conducted by Buyer after the Closing.

4.2 Authority; Binding Effect. Buyer has the corporate power and corporate authority to execute and deliver this Agreement and the other instruments and agreements required or contemplated herein to be executed and delivered by it at the Closing, to perform its obligations hereunder and thereunder and to consummate the transactions provided for herein and therein, and all corporate action of Buyer, necessary for the making and performance of this Agreement and such other instruments and agreements by Buyer has been duly taken. The execution, delivery and performance of this Agreement and such other instruments and agreements by Buyer, and the consummation by Buyer of the transactions contemplated hereby and thereby, do not and will not (i) (A) contravene any provisions of the Articles of Incorporation or By-laws of Buyer, (B) result in any material breach of or material default (or an event which, with notice or lapse of time or both, would constitute a material default) under, or the cancellation of, any material mortgage, indenture, contract, agreement or other instrument to which Buyer is a party except for such breaches, defaults or cancellations which would not materially adversely effect Buyer's ability to perform its obligations hereunder, or (C) result in any violation by Buyer of any law, rule or regulation applicable to Buyer which violation would materially adversely affect Buyer's ability to perform its obligations hereunder, (ii) result in any violation by Buyer of any judgment, injunction or decree of any court or governmental authority applicable to Buyer which violation would materially adversely affect Buyer's ability to perform its obligations hereunder or (iii) require any Governmental Filing to be made or obtained by Buyer except for (A) [intentionally omitted], (B) state or local sales tax filings and (C) Governmental Filings the failure of which to make or obtain would not have a material adverse effect on Buyer's ability to perform its obligations hereunder. This Agreement has been duly executed and delivered by Buyer and the other instruments and agreements required or contemplated herein to be executed and delivered by Buyer at the Closing will be duly executed and delivered by Buyer at the Closing. This Agreement constitutes, and at the Closing each of such other instruments and agreements will constitute, the valid and binding obligations of Buyer enforceable against Buyer in accordance with their terms.

4.3 Brokers. Except for agreements between Buyer and Railroad Financial Corporation which do not require any payments by Seller or any of its Affiliates and which fees will be paid by Buyer, there is no broker or finder or other Person who has

any valid claim against any of the parties to this Agreement or any of their Affiliates for a commission or brokerage fee or the like in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of or action taken by Buyer or any of its Affiliates.

4.4 Litigation. There is no material action, suit, formal governmental investigation or other proceeding pending or, to Buyer's knowledge, threatened against Buyer, at law or in equity, before any federal, state or municipal court, administrative agency or arbitrator which if adversely determined would materially impair Buyer's ability to perform this Agreement or the other instruments and documents to be executed and delivered by Buyer at the Closing.

4.5 Exception to the Condition of Certain Railcars. All of the Railcars listed on Schedule 4.5 do not satisfy Seller's representation regarding the condition of Railcars set forth in Section 3.5 because of "jack-in-the-box" trucks.

4.6 No Violation of Hart-Scott-Rodino Act. Allied Railcar Company is the "ultimate parent entity" (as such term is defined at 16 C.F.R. § 801.1(a)(3)) of Buyer. Buyer does not have "total assets" or "annual net sales" of \$10,000,000 or more, within the meaning of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. § 18A).

ARTICLE 5

CONDITIONS TO BUYER'S OBLIGATIONS

The obligations of Buyer to purchase the Assets and assume the Assumed Obligations are subject to the fulfillment, at or before the Closing, of each of the following conditions, any one or more of which may be waived by Buyer:

5.1 Representations, Warranties, Covenants. The representations and warranties of Seller contained in Article 3 of this Agreement shall be true and correct in all material respects as of the Closing Date as though such representations and warranties were made as of the Closing Date. Seller shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it at or prior to the Closing Date. Seller shall have furnished Buyer with a certificate,

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dated the Closing Date and duly executed on behalf of Seller by the President or a Vice President of Seller, to the effect that the conditions set forth in this Section 5.1 have been satisfied.

5.2 Proceedings. No party to this Agreement shall be subject to any order, stay, injunction or decree of any court of competent jurisdiction in the United States restraining or prohibiting the consummation of the transactions contemplated hereby.

5.3 [Intentionally omitted.]

5.4 Bill of Sale and Assignment. Seller shall have delivered to Buyer a Bill of Sale and Assignment, duly executed by Seller, in the form attached to this Agreement as Exhibit C.

5.5 Instruments of Conveyance. Seller shall have duly executed and delivered to Buyer any other assignments or other instruments of conveyance with respect to the Assets reasonably determined necessary by Buyer and its counsel.

5.6 Termination Statements. UCC-3 termination statements and other releases of security interests described in clause (v) of the definition of Permitted Liens.

5.7 Legal Opinions. Buyer shall have received a legal opinion of Richard M. Cozart, general counsel of Chrysler Capital Corporation ("CCC"), in the form of Exhibit D, and of Allan L. Ronquillo, general counsel of Chrysler Financial Corporation ("CFC"), in the form of Exhibit E.

5.8 CFC Guaranty. Buyer shall have received the guaranty (the "CFC Guaranty"), in the form of Exhibit F, by CFC of the indemnity obligations of Seller under this Agreement.

5.9 Non-Competition Agreement. CCC shall have executed and delivered to Buyer a Non-Competition Agreement in the form of Exhibit G.

5.10 Termination of Railcar Repair Facility Lease. Seller shall have executed and delivered to Illinois Central Railroad Company ("ICRC") a Termination of Lease Agreement in the form of Exhibit H.

ARTICLE 6

CONDITIONS TO SELLER'S OBLIGATIONS

The obligations of Seller to consummate the transfer of the Assets are subject to the fulfillment, at or before the Closing, of each of the following conditions, any one or more of which may be waived by Seller:

6.1 Representations, Warranties, Covenants. The representations and warranties of Buyer contained in Article 4 of this Agreement shall be true and correct in all material respects as of the Closing Date as though such representations and warranties were made as of the Closing Date. Buyer shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it at or prior to the Closing Date. Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed on behalf of Buyer by the President or a Vice President of Buyer, to the effect that the conditions set forth in this Section 6.1 have been satisfied.

6.2 Proceedings. No party to this Agreement shall be subject to any order, stay, injunction or decree of any court of competent jurisdiction in the United States restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 [Intentionally omitted]

6.4 Assumption of Liabilities by Buyer. Buyer shall have delivered to Seller an Assumption of Liabilities duly executed by Buyer, in the form attached to this Agreement as Exhibit I.

6.5 Transition Agreement. Seller and Interail shall have executed and delivered the Transition Agreement.

6.6 Legal Opinion. Seller shall have received a legal opinion of McLachlan, Rissman & Doll, in the form of Exhibit J.

6.7 Termination of Railcar Repair Facility Lease. ICRC shall have executed and delivered to Seller a Termination of Lease Agreement in the form of Exhibit H.

6.8 Buyer's Guaranties. Seller shall have received a guaranty, in the form of Exhibit K, from each of Illinois Central Corporation, Wisconsin Central Ltd., Southern Leasing Corporation and Railroad Financial Corporation (collectively, the "Guarantors").

6.9 Assumption of Liabilities by Interail. Interail shall have delivered to Seller an Assignment and Assumption of Liabilities duly executed by Interail in the form attached to this Agreement as Exhibit L.

ARTICLE 7

COVENANTS

7.1 [Intentionally omitted].

7.2 Notice of Proceedings; Agreement to Defend.

(a) Each party to this Agreement will notify the other promptly in writing upon (i) such party's becoming aware of any order, judgment or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby or any complaint seeking such an order, judgment or decree or (ii) such party's receiving any notice from any governmental authority of its intention (A) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the transactions contemplated hereby or (B) to nullify or render ineffective this Agreement or such transactions if consummated.

(b) In the event any Person brings a suit or claim, or commences an action, investigation or other proceeding, which either challenges the validity or legality of this Agreement or the transactions contemplated by this Agreement or any instrument or document contemplated hereby, or seeks damages in connection with such transactions, the parties agree to consult and to cooperate with each other and use all reasonable efforts to defend against such suit, claim, action, investigation or other proceeding and, in the event an injunction or other order is issued in connection with any of the foregoing, to use all reasonable efforts to have such injunction lifted or such order set aside so that the transactions contemplated by this Agreement and the instruments and documents contemplated hereby may proceed.

7.3 Consummation of Agreement. Subject to the provisions of Article 9 of this Agreement, Buyer and Seller shall use all reasonable efforts to fulfill and perform all conditions and obligations on their respective parts to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out.

7.4 Consents and Filings. Buyer and Seller shall give or cause to be given all required notices and use all reasonable efforts to obtain as soon as possible all licenses, permits, consents, approvals, authorizations, qualifications and orders of governmental authorities as may be required or desired in order to enable Seller and Buyer to perform their respective obligations under this Agreement. Buyer and Seller shall take such action as may be reasonably necessary to prepare the AAR Certificates of Sale which shall be filed by Buyer with the AAR upon Closing. Buyer acknowledges and agrees that the making by Seller of any certification to the AAR under Rule 88 or in any AAR Certificate of Sale shall not be deemed to constitute any representation or warranty whatsoever to Buyer with respect to the Railcars. Seller acknowledges and agrees that the execution by Buyer of any certification to the AAR under Rule 88, including any AAR Certificate of Sale, shall not affect any claim Buyer may have for breach of any representation or warranty made by Seller to Buyer under this Agreement.

7.5 Release of Certain Obligations. Seller and Buyer shall each use all reasonable efforts (not requiring the expenditure of money, or the payment or delivery of other consideration) to obtain the complete release and discharge of Seller and its Affiliates from all obligations and liabilities of such Persons (whether as principal, guarantor or otherwise) with respect to the Assumed Contracts.

7.6 Contest of Taxes. Following the Closing, Buyer shall give Seller prompt notice, including a copy of the relevant portion, of any notice (including, for purposes of this Section, any tax bill, assessment, proposed revision or other similar document) that Buyer receives respecting or relating to the payment of property or sales taxes on the Railcars relating to any period that ends prior to the Effective Time, and shall allow Seller to respond to such notice, and to contest, negotiate or otherwise settle any claims made by a taxing authority for such taxes. Seller shall give Buyer notice of, including a copy of the relevant portion of, any notice that

Seller receives respecting or relating to the payment of property or sales taxes on the Railcars relating to any period that commences on or subsequent to the Effective Time, and shall allow Buyer to respond to such notice, and to contest, negotiate or otherwise settle any claims made by a taxing authority for such taxes. Each of Buyer and Seller shall give to the other prompt notice of, including a copy of the relevant portion of, any notice that it receives respecting or relating to the payment of property or sales taxes on the Railcars relating to a period that includes but does not end on the Closing Date ("Joint Obligation Period"). The party which, pursuant to this Agreement, would pay the larger portion of the amounts asserted under a Joint Obligation Period notice shall have the right to respond to any such notice and to contest, negotiate or otherwise settle any claims made by a taxing authority for taxes under such notice; provided, however, that (a) where a notice covers both Railcars and other property and applicable procedures permit separate protests or proceedings with respect to separate items of property on such notice, the right to respond to and to contest such notice with respect to the Railcars shall be determined as if separate notices had been received with respect to the Railcars and such other property, and (b) the party with the right to contest, negotiate or otherwise settle any Joint Obligation Period notice shall consult with the other party prior to taking any action or permitting any right to lapse through inaction, and shall otherwise take reasonable steps to keep the other party informed of any proceedings involving such Joint Obligation Period notice.

7.7 Records. Seller shall deliver to Buyer the Records as promptly as practicable, but in no event later than 60 days after the Closing Date. Except in the case of willful failures by Seller to deliver a specific Record which is within the possession and control of Seller, following a written request therefor by Buyer, Seller shall have no liability to Buyer for failure to deliver any Record to Buyer unless (and only to the extent) Buyer is actually damaged thereby.

7.8 MPA Mark. Buyer acknowledges that the MPA mark and the Mark Agreement, dated June 28, 1991, between Seller and The Maryland and Pennsylvania Railroad Company ("MPR") regarding the use of the MPA mark (the "MPA Mark Agreement") are not assignable without the consent of MPR. Buyer hereby agrees that, at its expense, Buyer will take all action that may be necessary to obtain MPR's consent to the assignment of the MPA

Mark Agreement to Buyer; provided however, that if for any reason MPR does not consent to the assignment of the MPR Mark Agreement prior to the Closing, then the MPA Mark Agreement and Seller's right to use the MPA mark shall not be assigned to or assumed by Buyer and the MPA Mark Agreement shall not be deemed for any purpose to be a Restricted Asset. Failure to obtain the consent referred to in the foregoing sentence prior to the Closing Date shall not effect Buyer's obligation to purchase the Assets and assume the Assumed Obligations.

ARTICLE 8

SURVIVAL; INDEMNIFICATION

8.1 Survival. Subject to this Section 8.1 and to Section 8.2(f), all representations, warranties, covenants and agreements contained in this Agreement, or in the certificates of Buyer and Seller to be delivered at the Closing, the Bill of Sale and Assignment, the Assumption of Liabilities and the Assignment and Assumption of Liabilities of Interail (collectively, the "Other Documents"), shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive. Notwithstanding the foregoing, (i) the covenants contained in Sections 7.2(a), 7.3 and the first sentence of 7.4 and the related indemnity obligations set forth in Section 8.2 hereof, shall terminate on, and no action or claim with respect thereto may be brought after, the date that is six months after the Closing Date; (ii) the representations and warranties of Seller contained in Section 3.4 and the related indemnity obligations set forth in Section 8.2 hereof shall terminate on, and no action or claim with respect thereto may be brought after, the date which is eighteen months after the Closing Date. The limitations in clauses (i) and (iii) in the preceding sentence shall not bar actions after the expiration of the applicable limitations period provided a reasonably detailed written notice of the claim stated in the applicable action is given to the Indemnifying Party (as defined in Section 8.2(c)) prior to

expiration of the applicable limitations period and a complaint is filed or equitable relief is sought in a court having jurisdiction in such action within three months after the date such notice is given.

8.2 Indemnification. The parties shall indemnify each other as set forth below:

(a) Subject to Sections 8.1 and 8.2(f), Seller hereby agrees to indemnify and hold harmless Buyer from, and to reimburse Buyer for, on a net after-tax basis (taking into account any savings in Taxes resulting from the indemnified Losses, as defined below, and any Taxes on indemnity payments), any and all losses, damages, liabilities and claims, and fees, costs and expenses of any kind related thereto ("Losses") (including, without limitation, any reasonable Legal Expenses (as defined below) but excluding compensation paid to employees of Buyer), which are the direct result of (i) the breach as of the Closing Date of any representation or warranty of Seller contained in Article 3 of this Agreement, (ii) the breach by Seller of or failure by Seller to perform any of its obligations contained in this Agreement or any of the Other Documents or (iii) any failure by Seller to pay or discharge when due any liability or obligation of Seller that is not assumed by Buyer in or pursuant to this Agreement or any of the Other Documents or, in the case of Management Agreements for managed railcars, Interail. Notwithstanding the foregoing, (A) Seller shall be responsible for any Losses with respect to the matters referred to in (1) Section 8.2(a)(i), to the extent they arise out of a breach of a representation or warranty other than those contained in Section 3.4, and (2) Section 8.2(a)(iii) only to the extent that the cumulative aggregate amount of such Losses (calculated on a net after-tax basis as described above), exceeds \$536,000 (the "Basket Amount"), in which case, Seller shall then be responsible for the aggregate amount of such Losses in excess of the Basket Amount, and (B) the cumulative aggregate indemnity obligation of Seller under this Section 8.2 with respect to the matters referred to in Sections 8.2(a)(i) and 8.2(a)(ii) shall in no event exceed the Purchase Price (the "Cap"). As used herein, "Legal Expenses" shall mean the fees, costs and expenses of any kind incurred by any Person indemnified herein and its counsel in investigating, preparing for, defending against or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

(b) Subject to Section 8.1, Buyer hereby agrees to indemnify and hold harmless Seller from, and to reimburse Seller for, on a net after-tax basis (taking into account any savings in Taxes resulting from the indemnified Losses and any Taxes on indemnity payments), any and all Losses (including, without limitation, any reasonable Legal Expenses but excluding compensation paid to employees of Seller), which (i) are the direct result of (A) the breach as of the Closing Date of any representation or warranty of Buyer contained in Article 4 of this Agreement, (B) the breach by Buyer of or failure by Buyer to perform any of its obligations contained in this Agreement or any of the Other Documents, (C) any failure by Buyer to pay or discharge any liability or obligation assumed by it in or pursuant to this Agreement or any of the Other Documents, (D) any failure by Buyer to pay or discharge any other liabilities, obligations and duties (and asserted liabilities, obligations or duties), whether fixed, contingent or otherwise, accruing, arising, incurred or to be performed after the Closing Date, in any way associated with, relating to, or arising out of, the Assets, other than Excluded Obligations, (E) any failure by Interail to pay or discharge any liability or obligation assumed by Interail pursuant to the Assignment and Assumption Agreement of even date herewith between Seller and Interail (the "Interail Assumption Agreement") or (F) the breach by Interail of any of its obligations under the Interail Assumption Agreement or the Transition Agreement, or (ii) relate to or arise out of the delay in the delivery of the Railcars by Seller in accordance with Section 2.8(b).

(c) As promptly as reasonably practicable after Buyer or Seller shall receive any notice of, or otherwise become aware of, the commencement of any action, suit or proceeding, the assertion of any claim, the occurrence of any event, the existence of any fact or circumstance or the incurrence of any Loss, for which indemnification is provided for by this Section 8.2 (an "Indemnification Event"), the party entitled to indemnification (an "Indemnified Party") shall give written notice (an "Indemnification Claim") to the party from which indemnification is sought (an "Indemnifying Party") describing in reasonable detail the basis of such Indemnification Claim. If the Indemnifying Party is not so notified by the Indemnified Party within 14 calendar days after the date an officer of the Indemnified Party receives notice of, or an officer of the Indemnified Party becomes aware of, any Indemnification Event, the Indemnifying Party shall be relieved of liability hereunder to any Indemnified Party in respect of such Indemnification

Event, or the facts or circumstances giving rise thereto, to the extent, (but only to the extent) the Indemnified Party is actually prejudiced or damaged thereby. If such Indemnification Claim involves the claim of any third party, the Indemnifying Party shall be entitled to participate in, and assume sole control over, the defense and settlement of such claim; provided, however, that (i) the Indemnified Party shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim; (ii) the Indemnifying Party shall thereafter consult with the Indemnified Party upon Indemnified Party's reasonable request for such consultation from time to time with respect to such claim; and (iii) the Indemnifying Party shall obtain the prior written approval of the Indemnified Party, which shall not be unreasonably withheld or delayed, before entering into any settlement of such claim or ceasing to defend against such claim, if as a result of such settlement injunctive or other equitable relief would be imposed against the Indemnified Party. After written notice by the Indemnifying Party to the Indemnified Party of its election to assume control of the defense of any such claim, the Indemnifying Party shall not be liable to such Indemnified Party hereunder for any Legal Expenses subsequently incurred by such Indemnified Party in connection therewith. If the Indemnifying Party does not assume sole control over the defense or settlement of such claim as provided in this Section 8.2(c) within a reasonable period of time, the Indemnified Party shall have the right to defend and, upon obtaining the written consent of the Indemnifying Party which shall not be unreasonably withheld or delayed, settle the claim in such manner as it may deem appropriate, and the Indemnifying Party shall promptly reimburse the Indemnified Party therefor in accordance with Section 8.2(a) or 8.2(b), as appropriate. As long as the Indemnifying Party has not materially breached its obligations under this Section 8.2(c), the Indemnifying Party shall not be liable under this Section 8.2 for any settlement or compromise effected without its consent.

(d) In the event of any Indemnification Claim involving the claim of any third party, the Indemnified Party shall cooperate (and shall cause its Affiliates to cooperate) in all reasonable respects with the Indemnifying Party in the defense of any such claim under this Section 8.2. Without limiting the generality of the foregoing, the Indemnified Party shall furnish the Indemnifying Party with such documentary or other evidence as is then in its or any of its Affiliates'

possession as may reasonably be requested by the Indemnifying Party for the purpose of defending against any such claim.

(e) Upon payment of any amount pursuant to any Indemnification Claim, the Indemnifying Party shall be subrogated, to the extent of such payment, to all of the Indemnified Party's rights of recovery against any third party with respect to the matters to which such Indemnification Claim relates.

(f) Any term of this Article 8 to the contrary notwithstanding, the rights and remedies of Buyer, Seller and any other Indemnified Party under this Section 8.2 are exclusive and in lieu of any and all other rights and remedies (other than equitable remedies that may be available to obtain specific performance of this Agreement) which Buyer or Seller or any other Indemnified Party or any other Person may have under this Agreement, the Other Documents or otherwise with respect to (x) the breach of any representation, warranty, certification or other statement made (or deemed made) by Seller or Buyer in or pursuant to this Agreement or any of the Other Documents or (y) any breach or failure to perform any covenant or agreement set forth in this Agreement or in any of the Other Documents.

(g) If at any time subsequent to the receipt by any Indemnified Party of an indemnity payment hereunder, such Indemnified Party (or any Affiliate thereof) receives any recovery, settlement or other similar payment with respect to the Loss for which it received such indemnity payment (the "Recovery" determined on a net after-tax basis in accordance with Section 8.2(a) or 8.2(b), as the case may be) such Indemnified Party shall promptly pay to the Indemnifying Party an amount equal to the amount of such Recovery less any expense incurred by such Indemnified Party (or its Affiliates) in connection with such Recovery, but in no event shall any such payment exceed the amount of such indemnity payment.

ARTICLE 9

TERMINATION

9.1 Mutual Agreement. This Agreement may be terminated at any time prior to the Closing by the written agreement of Seller and Buyer.

9.2 Unilateral Termination. This Agreement may be terminated by Buyer or Seller giving notice of termination to the other at any time after December 31, 1993, if the Closing has not occurred by that date.

9.3 Effect of Termination. Except for the terms of Sections 10.2 and 10.9 hereof, which shall survive any termination of this Agreement, upon the termination of this Agreement pursuant to this Article 9, this Agreement shall forthwith become null and void, and no party hereto or any of its officers, directors, employees, agents, consultants, stockholders or principals shall have any rights, liabilities or obligations hereunder or with respect hereto; provided, however, that nothing contained in this Article 9 shall relieve any party from liability for any willful failure to comply with any covenant or agreement contained herein (and the terms of Article 8 hereof shall apply to any such failure).

ARTICLE 10

MISCELLANEOUS

10.1 Exclusivity of Representations; Reliance on Representations. (a) THE REPRESENTATIONS AND WARRANTIES MADE BY SELLER IN THIS AGREEMENT ARE IN LIEU OF AND ARE EXCLUSIVE OF ALL OTHER REPRESENTATIONS AND WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE AND ANY OTHER IMPLIED WARRANTIES OF SELLER. SELLER HEREBY DISCLAIMS ANY SUCH OTHER OR IMPLIED REPRESENTATIONS OR WARRANTIES, NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO BUYER OR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, REPRESENTATIVES OR STOCKHOLDERS OF ANY DOCUMENTATION OR OTHER INFORMATION (INCLUDING, WITHOUT LIMITATION, THE CONFIDENTIAL MEMORANDUM, DATED MARCH, 1993), BY SELLER OR ANY OTHER PERSON IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(b) Buyer represents to Seller that in making its decision to enter into this Agreement and purchase the Assets, it is not relying on any information provided or statements made by Seller or any of its agents, representatives, employees or Affiliates other than the specific representations and warranties made by Seller in this Agreement.

10.2 Expenses. Except as expressly contemplated by this Agreement, each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including, without limitation, accounting and legal fees incurred in connection herewith. Buyer shall be exclusively responsible for, and shall indemnify and hold Seller harmless against, and Seller shall have no liability or responsibility for, (i) any sales, use, transfer, stamp, documentary, recording, registration or similar Taxes arising from the transfer of the Assets to Buyer, Interail or Buyer's assignees, or any subsequent use or rental of the Assets by Buyer, Interail or Buyer's assignees, and (ii) any filing or recording fees in connection with the transfer of the Assets to Buyer or Interail, but excluding UCC-3 filing fees which will be borne by Seller. Buyer and Seller agree to cooperate in order to minimize any taxes that may be applicable to the transfer of the Assets.

10.3 Bulk Sales Laws. Buyer hereby waives compliance with the provisions of any applicable bulk sales law. Seller agrees to indemnify and hold Buyer harmless from any loss, liability, cost or expense which may result from non-compliance with any applicable bulk sales law in connection with the sale of the Assets to Buyer.

10.4 Assignments.

(a) Except as provided below in Sections 10.4(b) and 10.4(c), Buyer may not without the consent of Seller, and Seller may not without the consent of Buyer, assign any of their respective rights or delegate any of their respective duties hereunder or under the Guaranties referred to in Sections 5.8 and Section 6.8, and any such attempted assignment or delegation without such consents shall be void.

(b) After the Closing, without any such consent, (i) Seller may assign any of its rights and/or obligations hereunder to any of its Affiliates, and upon such assignment Seller will be released from all of its obligations hereunder, and (ii) Seller may assign any of its rights under the Guaranties referred to in Section 6.8 to any of its Affiliates.

(c) After or simultaneously with the Closing, upon prior written notice to Seller (in the case of an assignment or collateral assignment of any rights and related obligations under this Agreement) or CFC (in the case of an

assignment or collateral assignment of the CFC Guaranty) but without any consent from Seller, (i) Buyer or any Purchaser (as hereafter defined) may assign, as collateral security, any of its rights and/or obligations hereunder and under the CFC Guaranty to any source of financing who takes a security interest (or ownership interest in the case of a sale and lease-back transaction) in the Assets (a "Secured Party"); and (ii) Buyer and each Purchaser may assign, in whole or in part, any of its rights and/or obligations hereunder or under the CFC Guaranty to a subsequent Purchaser, provided, however, that (A) no assignment of any rights under this Agreement or the CFC Guaranty to any Purchaser shall be made, and no purported assignment shall be effective, unless such Purchaser also assumes all of the Assumed Obligations with respect to the rights and/or Assets acquired by and assigned to such Purchaser, such assumption to be evidenced by an assumption agreement in substantially the form attached hereto as Exhibit N, (B) any assignment of any rights under this Agreement or the CFC Guaranty shall be subject to all of the provisions of this Agreement and the CFC Guaranty, as the case may be, including without limitation the Basket Amount and the Cap and the consent to jurisdiction contained in Section 10.9. No assignment of this Agreement by Buyer or by any Purchaser shall affect the obligations of the Guarantors under the guaranties referred to in Section 6.8 which shall remain in full force and effect.

"Purchaser" means any Person (other than Buyer) who purchases or otherwise acquires any of the Assets on or after the Closing Date in accordance with Section 10.4(c)(ii).

(d) All claims for indemnification brought by Buyer, any Purchaser or any Secured Party under Section 8.2(a) or the related payment obligation under the CFC Guaranty shall be brought by Buyer (or a successor to Buyer which is reasonably satisfactory to Seller) as agent for the Person seeking indemnification, and neither Seller nor CFC shall have any liability whatsoever for any claim for indemnification under Section 8.2(a) or the related payment obligation under the CFC Guaranty unless Buyer (or a successor to Buyer which is reasonably satisfactory to Seller) acts as agent on behalf of the party seeking indemnification.

10.5 Further Assurances.

(a) From time to time prior to, at and after the Closing Date, each party hereto will execute all such

instruments and take all such actions as any other party, being advised by counsel, shall reasonably request in connection with carrying out and effectuating the intent and purpose hereof and all transactions and things contemplated by this Agreement, including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary or desirable to complete the transactions contemplated hereby.

(b) After the Closing, Seller shall use reasonable efforts (not including the expenditure of money, or the payment or delivery of other consideration by Seller) to provide for and at the expense of Buyer the benefit (to the maximum extent permitted by law and the applicable warranty) of any manufacturer's and repairman's warranties relating to the Assets to the extent such warranties are not assigned to Buyer pursuant to this Agreement.

(c) After the Closing, Seller shall use reasonable efforts (not including the expenditure of money, or the payment of other consideration by Seller) to assist Buyer in clearing record title to the Railcars and obtaining the release of any encumbrances of record upon the Railcars which were in effect prior to the Closing Date. At Closing Seller shall execute and deliver to Buyer a Power of Attorney in the form of Exhibit O hereto. Upon the dissolution of Seller, Seller shall cause one of its Affiliates to execute and deliver to Buyer an appropriate substitute limited power of attorney and upon such delivery, Buyer shall deliver the original power of attorney to Seller for destruction.

10.6 Public Announcement. After this Agreement is fully executed, neither Buyer nor Seller shall make any public announcement with respect to the transactions contemplated hereby without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided, however, that any party or its Affiliates may at any time make any announcements which are required by applicable law, regulation or rule or National Association of Securities Dealers' or stock exchange requirements or which the Board of Directors of such party believes in good faith to be so required, so long as it notifies the other party where practicable of such requirement and discusses with the other party in good faith the wording of any such announcement.

10.7 Notices. Notices and other communications provided for herein shall be in writing (which shall include notice by telex or facsimile transmission) and shall be delivered or mailed (or if by telex, graphic scanning or other facsimile communications equipment of the sending party hereto, delivered by such equipment), addressed as follows:

If to Seller:

Chrysler Capital Corporation
225 High Ridge Road
Stamford, Connecticut 06905
Telecopier No.: (203) 975-3910
Attn: John W. James

with copies to:

Chrysler Capital Corporation
225 High Ridge Road
Stamford, Connecticut 06905
Telecopier No.: (203) 975-3911
Attn: Richard M. Cozart, Esq.

Chrysler Financial Corporation
27777 Franklin Road
Southfield, Michigan 48034-8286
Telecopier No.: (313) 948-3138
Attn: Allen L. Ronquillo, Esq.

Hughes Hubbard & Reed
One Battery Park Plaza
New York, New York 10004
Telecopier No.: (212) 422-4726
Attn: Thomas G. Schueller, Esq.

If to Buyer:

Allied Railcar Company
6 W. Hubbard Street, Suite 500
Chicago, Illinois 60610
Telecopier No.: (312) 222-1470
Attn: President

with a copy to:

McLachlan, Rissman & Doll
6 W. Hubbard Street, Suite 500
Chicago, Illinois 60610
Telecopier No.: (312) 527-2023
Attn: John H. Doll, Esq.

or to such other address as a party may from time to time designate in writing in accordance with this section. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt, provided that any notice or communication that is received other than during regular business hours of the recipient shall be deemed to have been given at the opening of business on the next business day of the recipient.

10.8 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

10.9 Law Governing; Consent to Jurisdiction.

(a) Law Governing. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Illinois (without regard to the conflicts of law principles thereof).

(b) Consent to Jurisdiction. Each party to this Agreement hereby irrevocably and unconditionally:

(i) submits for itself and its property in any legal action or proceeding relating to this Agreement or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of Illinois located in Chicago, the courts of the United States of America for the Northern District of Illinois and appellate courts from any of the foregoing;

(ii) consents that any such action or proceeding may be brought in such courts, and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action

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or proceeding was brought in an inconvenient forum and agrees not to plead or claim the same;

(iii) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party at its address as provided in Section 10.7 hereof; and

(iv) WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

10.10 Waiver of Provisions. The terms, covenants, representations, warranties and conditions of this Agreement may be waived only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation, or warranty of this Agreement.

10.11 Counterparts. This Agreement may be executed in several counterparts, and all counterparts so executed shall constitute one agreement, binding on the parties hereto, notwithstanding that the parties are not signatories to the same counterpart.

10.12 Entire Agreement; Amendment. This Agreement, the other agreements and instruments referred to herein or executed simultaneously herewith and the Confidentiality Agreement dated November 23, 1993 between Railroad Financial Corporation ("RFC") and Seller constitute the entire agreement among the parties or their Affiliates with respect to the matters contained herein and supersede and cancel any and all prior agreements relating to such matters between them, including, without limitation, the Letter of Intent, dated October 6, 1993, among RFC, Illinois Central Railroad Company, Wisconsin Central Ltd., Interail Inc. and Seller, and the Letter of Confirmation, dated October 8, 1993, from RFC to The

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Blackstone Group, L.P., and may not be amended or modified except in a writing signed by Buyer and Seller.

10.13 Access to Books and Records.

(a) After the Closing Date, Buyer shall, upon the request and at the expense of Seller in connection with the preparation by Seller of tax returns and for such other purposes as Seller shall reasonably request, (i) provide to the officers and other authorized representatives of Seller full access, during normal business hours, to any and all premises, properties, files, books, records, documents and other information relating to the Assets, (ii) furnish to Seller and its authorized representatives any and all financial, technical and operating data and other information pertaining to the Assets, (iii) make available to Seller and its authorized representatives personnel of Buyer to consult with such persons and (iv) make available for inspection and copying by Seller true and complete copies of any documents relating to the foregoing. In exercising its rights under the foregoing provisions of this Section 10.13, Seller and its representatives shall not interfere with Buyer's normal operations. Buyer shall retain the files, books, records and documents relating to the Assets for at least five years after the Closing Date. Thereafter, Buyer shall give Seller at least 45 business days' prior written notice of the proposed destruction of any such files, books, records or documents and, at the request and expense of Seller, shall deliver to Seller any of such files, books, records or documents that Seller may reasonably request.

(b) After the Closing Date, Seller shall, upon the request and at the expense of Buyer, provide to the officers and other authorized representatives of Buyer access, during normal business hours, to any and all premises, properties, files, books, records, documents and other information in the possession or control of Seller relating to the Assets, and make available for inspection and copying by Buyer true and complete copies of any such documents. In exercising its rights under the foregoing provisions of this Section 10.13(b), Buyer and its representatives shall not interfere with Seller's normal operations. Seller shall give Buyer 30 days' prior written notice of the proposed destruction of any files, books, records or documents relating to the Assets. Buyer acknowledges that Seller will be liquidated after the Closing and further agrees that upon the liquidation of Seller, Seller shall have no

further obligations under this Section 10.13(b) if Seller gives the notice referred to in the preceding sentence.

10.14 No Third Party Beneficiary. This Agreement is not intended and shall not be construed to confer upon any Person other than the parties hereto and their permitted assigns any rights or remedies hereunder.

10.15 Non-Use of Name. Buyer acknowledges that the Assets may include items such as, without limitation, packaging materials, stationery, signs and business cards which are marked with the name "Chrysler," "Chrysler Rail Transportation Corporation" or variations thereof. From and after the Closing, Buyer shall completely and permanently obliterate or remove all such markings prior to using any such item, and in the event that any such marking cannot be completely and permanently obliterated or removed from any such item, Buyer shall promptly destroy such item. From and after the Closing, Buyer shall permanently refrain from using the name "Chrysler", "Chrysler Rail Transportation Corporation" or any variation thereof in any manner in connection with the Assets. Notwithstanding anything to the contrary, Buyer shall not be obligated to repaint any Railcar marked with the name "Chrysler," "Chrysler Rail Transportation Corporation" or variations thereof.

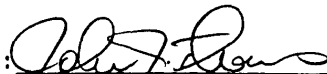
10.16 Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

10.17 Admissions, Schedules. Neither the specification of any dollar amount in the indemnification provisions of Article 8 nor the inclusion of any items in any Schedule shall be deemed to constitute an admission by Seller or Buyer, or otherwise imply, that any such amount or the items so included are material for the purposes of this Agreement. The inclusion of, or reference to, any item within any particular Schedule does not constitute an admission by Seller or Buyer that such item meets any or all of the criteria set forth in the Agreement for inclusion in such Schedule.

10.18 Insurance. Buyer acknowledges that all insurance policies maintained by Seller and its Affiliates with respect to the Assets may be terminated effective at any time on or after the Closing Date.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their duly authorized officers, all as of the day and year first above written.

CHRYSLER RAIL TRANSPORTATION
CORPORATION

By: 
Title: VA- sales

ALLIED RAILCAR COMPANY

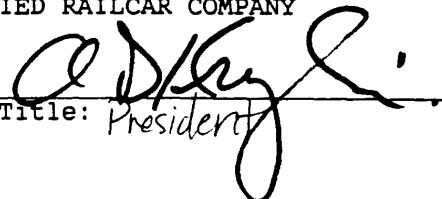
By: 
Title: President

EXHIBIT B

CLAIMS ADMINISTRATION AGREEMENT

This Claims Administration Agreement, dated as of December 3, 1993, is by and among Allied Railcar Company, an Illinois corporation ("Allied"), the other signatories hereto and each other entity which becomes a signatory hereto pursuant to Section 9 hereof (each a "Principal").

RECITALS

Allied is the purchaser of certain assets from Chrysler Railcar Transportation Corporation ("CRTC") pursuant to an Asset Purchase Agreement dated as of December 3, 1993 (the "CRTC Agreement") between CRTC and Allied. Under the CRTC Agreement, CRTC has continuing obligations, including obligations of indemnity, to Allied.

Certain of the obligations of CRTC under the CRTC Agreement have been guaranteed by Chrysler Financial Corporation ("CFC") under a Guaranty dated as of December 3, 1993 (the "CFC Guaranty").

Under Section 10.4 of the CRTC Agreement, the rights of Allied against CRTC and CFC may be assigned subject to certain conditions, including the requirement that all claims be brought by Allied as agent (or by a successor agent).

The parties are entering into this Agreement to provide for Allied to act as such agent for the Principals (including itself), subject to the terms and conditions provided herein, and to provide for certain other matters related to potential claims under the CRTC Agreement and the CFC Guaranty.

AGREEMENT

1. Appointment of Allied as Claims Agent. Each Principal (including Allied in its individual capacity as the Buyer under the CRTC Agreement) appoints Allied to act as such Principal's claims agent under the CRTC Agreement, and Allied accepts such appointment, subject to the terms and conditions of this Agreement. (Allied in such capacity and any successor to Allied as claims agent are each referred to as the "Claims Agent".)

2. Limitation of Claims Agent's Duties. The Claims Agent shall have only the express duties specified in this Agreement. All parties intend that the Claims Agent shall have only ministerial duties and shall have no duties to act as a fiduciary or to exercise any discretion on behalf of any Principal. In addition, the Claims Agent shall have no obligation to incur any obligations or to spend any funds except to the extent that it is indemnified by one or more Principals as provided in this Agreement.

3. Notification of Claims. Any Principal which elects to make a claim under the CRTC Agreement or the CFC Guaranty shall give the Claims Agent detailed written notice of such claim, including the factual basis therefor, the contractual basis therefor in the CRTC Agreement, the estimated amount of the claim, the earliest date on which the limitations period for such claim may expire and whether the claim is subject to the Basket Amount or

the Cap (both defined in the CRTC Agreement). The Claims Agent shall give a copy of each such notice to each other Principal. For purposes of this Agreement, each Principal agrees to give such a notice of any claim of which it has knowledge not later than [90] days prior to the expiration of each limitations period stated in the CRTC Agreement. Notice of a claim given pursuant to this Section is intended only for purposes of administration of this Agreement and is not intended to affect the Principal's rights against CRTC or CFC, and a notice of claim may include provisions or disclaimers to this effect.

4. Making Claims Against CRTC or CFC. Subject to the provisions of Section 10, in the period from the date of notification of a claim to the date specified in Section 5, the Claims Agent will take action as directed by the Principal with respect to such Principal's claim, including giving notice of such claim to CRTC or CFC, making demand on CRTC or CFC or taking actions under Section 8.2(c) of the CRTC Agreement.

5. Litigation. Not later than 90 days prior to the expiration of each limitations period, each Principal which has given notice of a claim which is subject to such limitations period shall notify the Claims Agent, who shall notify each other Principal which has given notice of a claim, whether such Principal elects to pursue its claim with litigation. Subject to the provisions of Section 10, the Claims Agent shall execute pleadings and take other specific ministerial actions as directed by the Principal or Principals electing to initiate litigation, which directions shall be given jointly or by a duly authorized agent if more than one Principal has a claim. Principals with claims shall agree among themselves as to selection of counsel, control of litigation, allocation of expenses and similar matters, and the Claims Agent shall have no obligation other than to take direction as specified above.

6. Later Claims. In the event that a Principal gives notice of a claim after other Principals have elected to initiate litigation, that Principal shall take whatever steps it considers appropriate, in cooperation with the litigating Principals, to join any planned or pending action. The Claims Agent shall execute pleadings and take other ministerial actions as directed by all Principals involved in order to effect the joining of the additional Principal.

7. Allocation of Basket Amount and Cap. The Principals agree that all successful claims that are subject to the Basket Amount (or the Cap) will share ratably in the Basket Amount (or Cap), regardless of the time that the respective claims are made. Accordingly, the Principals agree to allocate and share each recovery under each claim subject to the Basket Amount (or Cap) among all Principals with successful claims subject to the Basket Amount (or Cap) in such a manner that at any time all Principals with such successful claims have shared the Basket Amount (or Cap) ratably according to the amount of their successful claims. (For purposes of this Section, amounts received in settlement shall be treated as successful claims. For purposes of this Section, In determining the amount of a successful claim or settlement, no deduction shall be made for any setoffs or counterclaims by CRTC or CFC.) Recoveries by Interail, Inc. under its letter agreement dated December 3, 1993 with CRTC shall not be subject to this provision.

8. Cooperation Among Principals; Dispute Resolution. The Principals agree to cooperate with each other in handling claims they may have against CRTC or CFC. In the

event of disputes among Principals that they are unable to resolve among themselves, within 30 days after written notice from a Principal of an unresolved dispute, they agree to submit them to an Arbitrator (selected as described below) for resolution. Each Principal involved in the dispute shall submit a written statement of its position to the Arbitrator within 10 days after the matter is submitted to the Arbitrator, and the Arbitrator shall determine the matter based on those written statements and any inquiries the Arbitrator in its discretion elects to make. The Arbitrator shall be directed to make its determination within 30 days after receipt of the matter, by written report to each Principal involved in the dispute, and shall be directed to resolve the matter against any party who does not submit a statement as provided above. The Arbitrator shall be directed to resolve the matter in such a manner as to give effect to the intent of the parties as expressed in this Agreement. The fee of the Arbitrator shall be paid by the party whose written position statement is farther from the Arbitrator's determination, as determined by the Arbitrator. The determination by the Arbitrator shall be final, binding, enforceable, and not subject to appeal. The Arbitrator shall be a person selected by agreement of the Principals involved in the dispute who is willing to resolve the dispute, or, if they fail to agree on the selection, a person selected by the nominees of the Principals involved. The Arbitrator may be the Claims Agent or a Principal not involved in the dispute. If any Principal fails to participate in the selection of an Arbitrator, the Arbitrator shall be the person selected by the other Principal or Principals.

9. Additional Principals. In connection with, and as a condition to, the bringing of any claim by an assignee of rights under the CRTC Agreement and the CFC Guaranty, the assignee shall become a Principal under this Agreement by executing and delivering to the Claims Agent a Supplement To Claims Agreement in the form of Exhibit A. Upon execution and delivery of a Supplement To Claims Agreement, the assignee shall be a Principal under this Agreement for all purposes. The Claims Agent shall send a copy of each Supplement To Claims Agreement to each Principal.

10. Exculpation and Indemnification of Claims Agent. (a) The Claims Agent shall have no liability to any Principal except for gross negligence or willful misconduct in taking actions at the specific direction of Principals after provision of indemnification described in (b) below. Without limiting this general statement, (i) if the Claims Agent has notice of a dispute among Principals, the Claims Agent shall have no obligation to take any action with respect to the disputed matter except as directed by all involved Principals or the Arbitrator; (ii) the Claims Agent shall have no obligation to determine applicable limitations periods or to take actions within limitations period other than to execute pleadings and take other specific ministerial actions reasonably promptly after written request; and (iii) the Claims Agent shall have no obligation to act as Arbitrator and may charge a fee for serving as Arbitrator.

(b) Each Principal requesting the Claims Agent to take any action shall indemnify and hold harmless the Claims Agent from and against all claims, cost, liability or expense which the Claims Agent may incur as a result of taking such action. Expenses covered by this indemnity include all out-of-pocket expenses and attorney's fees and may include reasonable hourly charges for personnel of the Claims Agent. The Claims Agent may require payment of its expenses in advance. By execution of this Agreement (or by execution of a Supplement To Claims Agreement), each Principal agrees that each request by such Principal to the Claims

WCL RAILCARS, INC.

SOUTHERN LEASING CORPORATION

By Walter C. Kelly
VP-FINANCE

By _____

Address for notices:
6250 N. River Rd., Ste 9000
Rosemont, IL 60018
Attn: Thomas F. Power, Jr.
INTERAIL, INC.

Address for notices:

By _____

Address for notices:

WCL RAILCARS, INC.

By _____

Address for notices:

INTERAIL, INC.

By _____

Address for notices:

SOUTHERN LEASING CORPORATION

By Harry D. Muth

Address for notices:

1055 Broadway, Suite 990
Kansas City, MO 64105-1599

EXHIBIT A

SUPPLEMENT TO CLAIMS AGREEMENT

This Supplement To Claims Agreement is entered into by the undersigned with reference to the Claims Administration Agreement dated as of December 3, 1993 (the "Claims Agreement") among Allied Railcar Company as Claims Agent and the Principals party thereto. (Capitalized terms have the meanings provided in the Claims Agreement.)

The undersigned, an assignee of certain rights under the CRTC Agreement and the CFC Guaranty, hereby agrees to be a party to the Claims Agreement as a Principal for all purposes, effective as of the date hereof.

This Supplement is effective upon its delivery to the Claims Agent.

Dated: _____

By _____
Title:

Address for notices:

EXHIBIT C

PURCHASED ASSETS

- I. The Railcars listed on the attached schedule.
- II. The Lease Agreement identified by CRTC as Contract No. 105-5000085-506.

UNIT
*MARK NUMBER
*====,=====

AM 000500
AM 000501
AM 000502
AM 000503
AM 000504
AM 000505
AM 000506
AM 000507
AM 000508
AM 000509
AM 000510
AM 000511
AM 000512
AM 000513
AM 000514
AM 000515
AM 000516
AM 000517
AM 000518
AM 000519
AM 000520
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AM 000541
AM 000542
AM 000543
AM 000544
AM 000545
AM 000546
AM 000547
AM 000548
AM 000549
AM 000550
AM 000551
AM 000552

UNIT
*MARK NUMBER
*====,=====

AM 000553
AM 000554
AM 000555
AM 000556
AM 000557
AM 000558
AM 000560
AM 000561
AM 000562
AM 000563
AM 000564
AM 000565
AM 000566
AM 000567
AM 000570
AM 000571
AM 000572

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* 69

EXHIBIT D

BILL OF SALE AND ASSIGNMENT

This is a BILL OF SALE AND ASSIGNMENT, dated as of January ___, 1994, from ALLIED RAILCAR COMPANY, an Illinois corporation ("Seller"), to ALLIED ENTERPRISES, INC., a Delaware corporation ("Buyer"). Capitalized terms used without definition in this Bill of Sale and Assignment shall have the meanings given to them in the Asset Sale Agreement (the "Agreement"), dated as of December ___, 1993 between Seller and Buyer.

On the terms and subject to the conditions set forth in the Agreement, Seller hereby sells, assigns, conveys and otherwise transfers to Buyer, without recourse, representation or warranty except as otherwise expressly provided in the Agreement, and Buyer hereby acquires, the Purchased Assets, which are identified on the attached Exhibit.

Seller does not sell to Buyer and Buyer does not purchase from Seller any interest in any of Seller's assets not described above.

It is acknowledged and agreed that this Bill of Sale and Assignment is intended only to document the sale and assignment of the Purchased Assets to Buyer, and that the Agreement is the exclusive source of the agreement and understanding between the Seller and Buyer respecting the Purchased Assets. By way of example and not of limitation, the Agreement contains representations and warranties by Seller about the Purchased Assets. Nothing in this Bill of Sale and Assignment shall limit, expand or otherwise affect any of the representations, warranties, agreements or covenants contained in the Agreement. If any provision of this Bill of Sale and Assignment is construed to conflict with any provision of the Agreement, the provision of the Agreement shall control. **SUBJECT TO THE REPRESENTATIONS AND WARRANTIES MADE BY SELLER IN THE AGREEMENT, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE AND ANY OTHER IMPLIED WARRANTIES, AND DISCLAIMS ANY SUCH OTHER OR IMPLIED REPRESENTATIONS OR WARRANTIES.**

This Bill of Sale shall be binding upon the successors and assigns of Seller and shall inure to the benefit of the successors and assigns of Buyer as permitted under the Agreement.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale and Assignment this ____ day of January, 1994.

SELLER:

ALLIED RAILCAR COMPANY

By: _____

Name:

Title:

EXHIBIT

PURCHASED ASSETS

- I. The Railcars listed on the attached schedule.
- II. The Lease Agreement identified by CRTC as Contract No. 105-5000085-506.

*MARK	UNIT NUMBER
AM	000500
AM	000501
AM	000502
AM	000503
AM	000504
AM	000505
AM	000506
AM	000507
AM	000508
AM	000509
AM	000510
AM	000511
AM	000512
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AM	000543
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AM	000550
AM	000551
AM	000552

*MARK	UNIT NUMBER
AM	000553
AM	000554
AM	000555
AM	000556
AM	000557
AM	000558
AM	000560
AM	000561
AM	000562
AM	000563
AM	000564
AM	000565
AM	000566
AM	000567
AM	000570
AM	000571
AM	000572

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EXHIBIT E

ASSUMPTION OF LIABILITIES

ASSUMPTION OF LIABILITIES, dated as of January ____, 1994, between ALLIED RAILCAR COMPANY, an Illinois corporation ("Seller"), and ALLIED ENTERPRISES, INC., a Delaware corporation ("Buyer"). Capitalized terms used without definition in this Assumption of Liabilities shall have the meanings given to them in the Asset Sale Agreement (the "Agreement"), dated as of December ____, 1993, between Seller and Buyer.

BACKGROUND

A. Seller and Buyer are parties to the Agreement pursuant to which Seller wishes to sell, assign, convey or otherwise transfer and Buyer wishes to acquire the Purchased Assets of Seller for good and lawful consideration.

B. Pursuant to the Agreement and simultaneously herewith, Seller has executed a Bill of Sale and Assignment pursuant to which Seller has sold, assigned, conveyed or otherwise transferred all of its rights, title and interest in and to the Purchased Assets to Buyer.

C. The Agreement provides that Buyer shall assume and thereafter perform and discharge the Assumed Obligations (as defined in the Agreement). This Assumption of Liabilities is intended to evidence the assumption of the Assumed Obligations by Buyer.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

1. Seller hereby transfers, delegates and assigns to Buyer, and Buyer hereby accepts from Seller the transfer, delegation and assignment of, and assumes and agrees to pay, perform and discharge, all liabilities, obligations and duties of Seller with respect to the Purchased Assets, including without limitation all obligations of Seller under the CRTC Agreement (defined in the Agreement) with respect to the Purchased Assets and all obligations assumed by Seller with respect to the Purchased Assets under the CRTC Agreement (the "Assumed Obligations"). It is acknowledged and agreed that (i) Buyer shall be deemed to be a "Purchaser" as defined in Section 10.4 of the CRTC Agreement and (ii) to the extent any provision of the CRTC Agreement relates to any rights or Assets assigned to, or liabilities, obligations or duties assumed by, Buyer pursuant to the Agreement, Buyer shall be subject to and bound by the provisions of the CRTC Agreement as if it were a party to such Agreement, including without limitation Section 2.6 (Allocation of Revenues and Expenses), Section 2.9 (Restricted Assets), Article VIII (Survival; Indemnification) and Article X (Miscellaneous). This provision is intended to be for the benefit of CRTC and its Affiliates (defined in the CRTC Agreement) and may be directly enforced by CRTC and its Affiliates.

2. This Assumption of Liabilities shall be binding upon the successors and assigns of Buyer and shall inure to the benefit of the successors and assigns of Seller.

IN WITNESS WHEREOF, Seller and Buyer have executed this Assumption of Liabilities as of the date first set forth above.

SELLER:

ALLIED RAILCAR COMPANY

By: _____

Name:

Title:

BUYER:

ALLIED ENTERPRISES, INC.

By: _____

Name:

Title:

Schedule 2.6

RAILCARS UNDER REPAIR

AM	000511
AM	000514
AM	000515
AM	000518
AM	000526
AM	000539
AM	000547
AM	000550
AM	000551
AM	000558
AM	000561
AM	000565

SCHEDULE 2.8

DELIVERY STATES

Alabama
Alaska
Arizona
California
Delaware
Hawaii
Illinois
Iowa
Kentucky
Maryland
Mississippi
Missouri
Montana
Nebraska
New Hampshire
Oregon
Pennsylvania
South Carolina
Texas
Vermont
Wisconsin

DEUTSCHE CREDIT CORPORATION

ARKANSAS AND MISSOURI RAILROAD COMPANY
SIXTY NINE (69) RECONDITIONED 70 TON
50'-6" PLATE C BOX CARS
CAR SERIES NOS. AM500 - AM573

APPRAISAL OF CURRENT FAIR MARKET VALUE,
ECONOMIC USEFUL LIFE AND FUTURE FAIR MARKET VALUE

NORMAN W. SEIP & ASSOCIATES
MANAGEMENT CONSULTANTS
100 STATE STREET, SUITE 203
ERIE, PENNSYLVANIA 16507

DECEMBER 1, 1993

NORMAN W. SEIP & ASSOCIATES

Management Consultants

A Division of Ridgefield Development Corporation

100 State Street, Suite 203, Erie, Pennsylvania 16507 814/454-6011 FAX 814/459-2525

December 1, 1993

Deutsche Credit Corporation
2333 Waukegan Road
P.O. Box 329
Deerfield, Illinois 60015

ATTN: Mr. Patrick J. Mazzanti
Manager

RE: Deutsche Credit Corporation
Arkansas and Missouri Railroad Company
Sixty Nine (69) Reconditioned 70 Ton
50'-6" Plate C Box Cars
Car Series Nos. AM500 - AM573
Appraisal of Current Fair Market Value,
Economic Useful Life and Future Fair Market Value

Dear Mr. Mazzanti:

Deutsche Credit Corporation has requested that Norman W. Seip & Associates render its expert opinion as to the estimated current fair market value, estimated economic useful life and estimated future fair market value at the end of a five (5) year Term Loan of sixty nine (69) Reconditioned 70 Ton, 50'-6" Plate C Box Cars ("the Reconditioned Box Cars"), which are being acquired by Arkansas and Missouri Railroad Company ("Arkansas and Missouri") from Chrysler Rail Transportation Corporation ("Chrysler Rail").

The acquisition of the Reconditioned Box Cars is being financed in accordance with the provisions of a Loan Agreement between Deutsche Credit Corporation and Arkansas and Missouri dated as of December 1993 and expiring in December 1998.

Arkansas and Missouri is leasing the Reconditioned Box Cars from Chrysler Rail at the present time. Chrysler Rail is responsible for the reconditioning program being performed on each car.

Management Consultation Services / Operations Analysis / Organization Planning /
Project Management / Market Studies / Equipment Appraisal / Inspection Services

Member-Railway Progress Institute

I. EQUIPMENT DESCRIPTION

The sixty-nine (69) Reconditioned Box Cars are described as follows:

Association of American Railroads ("AAR") Mechanical Designation	- XM
AAR Car Type Code	- B314
AAR Equipment Diagram	- Plate C
Date Built	- 1979
Car Series	- AM500 - AM573
Nominal Capacity - Tons	- 70
Cubic Feet Capacity	- 5277
Extreme Height	- 15'-5"
Extreme Width	- 10'-8"
Outside Length	- 55'-7"
Inside Length	- 50'-6"
Air Brake System	- ABD/ABDW
Trucks	- Barber S2
Doors	- 2; Sliding, 10' x 10'5"

The Reconditioned Box Cars are listed in The Official Railway Equipment Register, Volume 109, No. 2, issued October 10, 1993 and effective October 20, 1993, on page no. 13, line no. 12.

II. SHOP INSPECTION

A. Inspection Location and Cars Inspected

A shop inspection of four (4) Reconditioned Box Cars was made at the General Electric Railcar Repair Services Shop, East Camden, Arkansas on November 30, 1993. The cars inspected were numbered AM511, AM515, AM551 and AM565, constituting a 5.8 percent sample.

II. SHOP INSPECTION (CONTINUED)

A. Inspection Location and Cars Inspected (Continued)

AAR defect repairs, interior and exterior sandblasting and painting, and miscellaneous repairs are being made on all cars in accordance with a repair program negotiated between Chrysler Rail and Arkansas and Missouri. At the time of the shop inspection, fifty three (53) cars have been put through the program, seven (7) are in various shops, and nine (9) remain to be delivered to these shops. The repair program is expected to be completed as of the first quarter, 1994.

Repair program work has been, or is being, performed by General Electric Railcar Repair Services; Rescar, Inc.; Kansas City Railcar, Inc.; and Transisco Rail Services Company.

B. Inspection Results

Carbodies are generally in good condition. Ends, side posts, and door posts are generally straight. Top and bottom door tracks are generally straight. Several doors bulge slightly, but this does not appear to be a problem with door operation. Roofs and floors appear to be in good condition. Several cars had cracked welds in the center sill to end angle connections. The shop is aware of these cracks and is repairing them when necessary.

The underframes of the cars were found to be in good condition. Center sills and cross members are straight and in good condition. Couplers and draft gears appear to be in good condition.

Trucks appear to be in good condition. Wheels are a mix of curve plate and straight plate design. Tread thickness ranges from 19/16" to 24/16" on the cars inspected. Wheel profiles are generally good.

Air brake equipment and safety appliances appear to be in good condition.

Paint is in poor condition on both the interior and exterior of the cars inspected. However, this condition will be corrected when the scheduled interior and exterior sandblasting and painting is done.

II. SHOP INSPECTION (CONTINUED)

B. Inspection Results (Continued)

The individual car inspection reports and color photographs taken during the shop inspection are included in Appendix A of this appraisal report, together with color photographs of reconditioned cars provided by Arkansas and Missouri.

It is possible that our inspection of the foregoing Reconditioned Box Cars, before completion of the repair program, may not have disclosed latent or other defects in the cars which are difficult or impossible to discover from such an inspection. Accordingly, anything in the inspection reports to the contrary notwithstanding, our inspection conclusions are strictly subject to any such defects which may be hereafter discovered.

III. SUMMARY OF CONCLUSION

A. Current Fair Market Value

Giving consideration to the review and evaluation of the applicable factors listed in Section IV and the appraisal assumptions listed in Section V, and based on our knowledge and experience, we estimate the current fair market value of the Reconditioned Box Cars is in the range of \$17,500 - \$18,500 per car, a total value in the range of \$1,207,500 - \$1,276,500 for the sixty nine (69) cars.

B. Economic Useful Life

Giving consideration to the review and evaluation of the applicable factors listed in Section IV and the appraisal assumptions listed in Section V, and based on our knowledge and experience, we estimate the remaining economic useful life of the Reconditioned Box Cars will not be less than sixteen (16) years from the completion date of the reconditioning program.

III. SUMMARY OF CONCLUSION (CONTINUED)

C. Uninflated Future Fair Market Value at the End of the Term Loan

Giving consideration to the review and evaluation of the applicable factors listed in Section IV, and the appraisal assumptions listed in Section V, and based on our knowledge and experience, we estimate the fair market value of the Reconditioned Box Cars at the end of the five (5) year Term Loan in December 1998, in constant 1993 dollars without consideration of inflation or deflation, will be in the range of \$10,000 - \$11,000 per car, a total value in the range of \$690,000 - \$759,000 for the sixty nine (69) cars.

D. Potential Effect of the Final Interstate Commerce Commission ("ICC") Rules to Accomplish a Ten Year Phased Deprescription of Car Hire Rates.

According to information received from Arkansas and Missouri, the Reconditioned Box Cars are excluded from the ICC Deprescription of Car Hire Rates, as they are owned or leased by a Class III carrier and bear its reporting marks. This "grandfathered" status with respect to car hire rates has the potential of adding value, assuming Arkansas and Missouri can maintain the present favorable utilization experience in the future.

The potential additional value added, based on a comparison of net earnings of the "grandfathered" Reconditioned Box Cars, with estimated net market rate earnings for similar cars, cannot be determined precisely at this time, due to the lack of market rate data.

With reference to the new ICC Deprescription Rules, it is estimated there are approximately 33,000 70 Ton and 100 Ton Unequipped and Equipped Box Cars which have "grandfathered" status with respect to car hire rates.

The above-mentioned ICC Deprescription Rules were published in the Federal Register / Volume 57, No. 218 / Tuesday, November 10, 1992 / Rules and Regulations, Pages 53450 & 53451.

III. SUMMARY OF CONCLUSION (CONTINUED)

E. Limited Used Property -- Expectation of Future Use

We believe that during and at the end of the five (5) year Term Loan, it will be commercially feasible for Deutsche Credit Corporation to sell or lease the Reconditioned Box Cars (i.e., to users other than Arkansas and Missouri, a shareholder of Arkansas and Missouri, or any business enterprise related to Arkansas and Missouri), for use in rail transportation applications in the United States, Canada and Mexico.

IV. METHOD USED IN PERFORMING APPRAISAL

A. Current Fair Market Value

The current fair market value of the Reconditioned Box Cars is based on a review and evaluation of the following information.

1. Recent sales, offers to buy or to sell, and appraisals of similar 70 ton, Plate C box cars.
2. A field inspection of a representative sample of the Reconditioned Box Cars, as summarized in Section II and Appendix A.
3. The cost of the reconditioning program based on a review of eleven (11) invoices for such work, provided by Arkansas and Missouri. The average cost per car for the eleven (11) cars is \$3,483.82.

We are of the opinion that this average reconditioning cost is typical for the sixty nine (69) cars, is reasonable, and represents the current fair market value for such work.

4. Estimated new car prices for Plate C box cars being quoted by U.S. and Canadian manufacturers.

B. Economic Useful Life

The estimated economic useful life of the Reconditioned Box Cars described in Section I is based on a review and evaluation of the following considerations.

IV. METHOD USED IN PERFORMING APPRAISAL (CONTINUED)

B. Economic Useful Life (Continued)

1. Economic useful life of a railcar is defined as being the period of time the car may be used profitably for the commodity service for which it is designed.

The Association of American Railroads ("AAR") specifies the interchange life of a car at 40 years from the original date of manufacture, without subjecting them to an AAR Rule 88 rebuild program. The Federal Railroad Administration ("FRA") regulations allow operation of cars for up to 50 years from the original date of manufacture. This indicated useful life assumes adequate maintenance, rebuild, and possible future modification to ensure suitability for interchange service.

However, most railcars are considered to have an economic useful life span in the range of 30 to 35 years, without subjecting them to an AAR Rule 88 rebuild program. In this instance, economic useful life is limited by the AAR 40 year rule. This means the indicated remaining economic useful life of the Plate C Box Cars will be approximately twenty six (26) years, applying the AAR 40 year interchange rule from November 1993.

However, we have elected to use a more conservative thirty (30) year economic useful life span from the date of manufacture, which is consistent with the practices generally being followed by Class I Railroads, regional railroads, and major owner/lessors of rail freight cars of this type.

2. Economic useful life of a railcar also relates to equipment obsolescence due to changes in market demand involving the transport of specific commodities. In other words, will there continue to be a good market demand for the Plate C Box Cars in general merchandise and paper industry service during the remainder of this decade?

70 Ton Box Cars in general merchandise and paper industry service are expected to experience good market demand during the time period involved.

IV. METHOD USED IN PERFORMING APPRAISAL (CONTINUED)

B. Economic Useful Life (Continued)

We believe that the Railroad Industry will provide highly competitive transportation services to shippers during the remainder of this decade and beyond. As of early October 1993, cumulative revenue ton miles are .3 percent above the same period last year. Cumulative revenue freight car loadings are .5 percent below the same 1992 period.* We anticipate that freight traffic levels will resume their upward trend as the domestic and world economies improve. It is very significant that the Railroad Industry is handling its business with steady improvements in productivity.

Other positive factors impacting the Railroad Industry include environmental issues, such as truck and automobile engine exhaust pollution in urban areas, and urban and inter-city highway congestion and safety.

Looking ahead, the Class I and Regional Railroad Freight Systems may experience further consolidations along with ventures in other complementary transport modes in the interest of improved market position, productivity and profitability.

Accordingly, we are of the opinion that the Reconditioned Box Cars will have an economic useful life of not less than sixteen (16) years from the completion date of the reconditioning program.

C. Uninflated Future Fair Market Value of the Reconditioned Box Cars at the end of the Term Loan.

Giving consideration to the review and evaluation of the applicable factors listed in Section IV, and the appraisal assumptions listed in Section V, and based on our knowledge and experience, we estimate the fair market value of the Reconditioned Box Cars at the end of the five (5) year Term Loan in December 1998, in constant 1993 dollars without consideration of inflation or deflation, will be in the range of \$10,000 - \$11,000 per car, a total value in the range of \$690,000 - \$759,000 for the sixty nine (69) cars.

*SOURCE -- Association of American Railroads

IV. METHOD USED IN PERFORMING APPRAISAL (CONTINUED)

C. Uninflated Future Fair Market Value of the Reconditioned Box Cars at the end of the Term Loan (Continued).

The projection of uninflated future fair market value at the end of the five (5) year time period is based on the estimated economic useful life as included in Section IV B and the appraisal assumptions listed in Section V.

The estimated future fair market value compares favorably with that being realized by other owner/lessor clients for similar railcars having approximately the same age.

V. APPRAISAL ASSUMPTIONS

This appraisal has been made with the following assumptions:

A. Current fair market value and future fair market value during and at the end of the five (5) year Term Loan is defined as being the price that would be paid, in an arm's length transaction, between an informed, ready and willing buyer (excluding a used equipment or scrap dealer) and an informed, ready and willing seller, neither party being under a compulsion either to buy or to sell.

B. The future fair market value estimates in constant dollars are made in terms of 1993 dollars without consideration of price inflation or deflation.

C. The Use, Maintenance and Modification provisions of the Loan Agreement between Deutsche Credit Corporation and Arkansas and Missouri, will be fully performed by Arkansas and Missouri.

D. Arkansas and Missouri will maintain the Reconditioned Box Cars in accordance with accepted United States Railroad Industry practice, AAR and Federal Railroad Administration requirements, and suitable for AAR interchange.

E. Railroad Industry cumulative revenue ton miles and cumulative revenue freight car loadings will grow with the domestic economy, and overall market position will not decline.

F. There will be no unexpected shortage of freight car manufacturing capacity during the time period involved.

VI. BACKGROUND INFORMATION AND QUALIFICATIONS

Background Information and Qualifications of Norman W. Seip & Associates, together with a list of principal clients, is included in Appendix B of this appraisal report.

VII. CERTIFICATION

Norman W. Seip & Associates hereby certifies that it has no interest of any kind in the Reconditioned Box Cars which are the subject of this appraisal report.

The current fair market value, estimated economic useful life, and estimated future fair market value at the end of the five (5) year Term Loan, and the expectation of future use, are based on available data, our knowledge and experience, and the appraisal assumptions listed in Section V above. While we believe the estimates included in this appraisal report are representative of what may be realized, they cannot be guaranteed.

Very truly yours,



Norman W. Seip
President

NWS/jad

CAR INSPECTION RECORDBOX CARSJOB NO. DCC 111193OWNER/LESSOR Arkansas and Missouri R.R. LESSEE _____CAR NO. AM 511 LOCATION Camden AR INSPECTOR DalzielDATE BUILT 8/79 BUILDER _____ DATE INSPECTED 11/30/93PLATE C LENGTH 50'-6" CAPACITY 70 TONSGENERAL CONDITION Good

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>End Construction</u>	
2	Coupler	Good- "A"-E60CHT "B"-E60CHTQ
2	Draft Gear	Good
2	Draft Yoke	Good
2	Center Casting	Good- welded
2	Gear Pocket Length	Good
2	Body Center Plate	Good- fasteners attached
2	Striker Casting	Good- welded
2	End Sill Channel	Good
1	Hand Brake	Good- Elcom National
1	Air Brake System	Good- ABD/ABDW
2	End Sheet	Good
	<u>Side Construction</u>	
2	Top Side Angle	Good
2	Side Sill	Good
	Side Sheets - Right	Several ports low slightly
	Side Sheets - Left	Several ports low slightly

CAR NO. AM 511

Page 2 of 3

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Side Construction Cont'd</u>	
2	Door Track - Top	Good
2	Door Track - Bottom	Good
4	Door Post	Good
2	Door - Sliding	Good
	<u>Underframe</u>	
1	Center Sill	Good
1	Cushioning Unit	N/A
	Floor Stringer	Good
	Crossbear Diaphragm	Good
	Crosstie Diaphragm	Good
	<u>Car Interior</u>	
2	End Lining	Scraped rusty
2	Side Lining	Scraped rusty
1	Roof Sheets	Good
1	Sub-Floor	N/A
1	Top Floor	Good
	<u>Trucks</u>	33"
2	Wheels - R & L - 1	Good - straight plate - $20\frac{1}{16}"$ - $20\frac{1}{16}"$
2	Wheels - R & L - 2	Good - straight plate - $23\frac{3}{16}"$ - $23\frac{3}{16}"$
2	Wheels - R & L - 3	Good - curved plate - $19\frac{1}{16}"$ - $19\frac{1}{16}"$
2	Wheels - R & L - 4	Good - straight plate - $24\frac{1}{16}"$ - $24\frac{1}{16}"$
4	Brake Beam	Good - #18
2	Truck Bolster	Good

CAR NO. AM 511

Page 3 of 3

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Trucks Cont'd</u>	
4	Side Frame	Good
8	Roller Bearing	Good - 6" x 11"
8	R.B. Adapter	Good
	Spring - Outer	Good - DS
	Spring - Inner	Good - DS
1	Slack Adjuster	Good
	<u>Other Data</u>	
	Paint on Car	Poor
	Stenciling Data	Fair
	Has Pedestal Frame Key	No
	Has Welded Train Line	No
	Light Weight Date	SBD 1/85
	Meet Interchange Requirements	Yes
	Trucks	Barber 52
Remarks: <u>Center sill to end angle weld cracked - "B" end</u>		

1/4/93
NWS&A Form No. CIR-BC



Arkansas and Missouri Railroad Company
Car No. AM511, 50'-6" 70 Ton Box Car
Camden, AR - 11/30/93
Partial side view prior to reconditioning

CAR INSPECTION RECORDBOX CARSJOB NO. DCC 111193OWNER/LESSOR Arkansas & Missouri RR LESSEE _____CAR NO. AM 515 LOCATION Camden, AR INSPECTOR D A WinkDATE BUILT 8/79 BUILDER _____ DATE INSPECTED 11/30/93PLATE C LENGTH 50'-6" CAPACITY 70 TONSGENERAL CONDITION Good

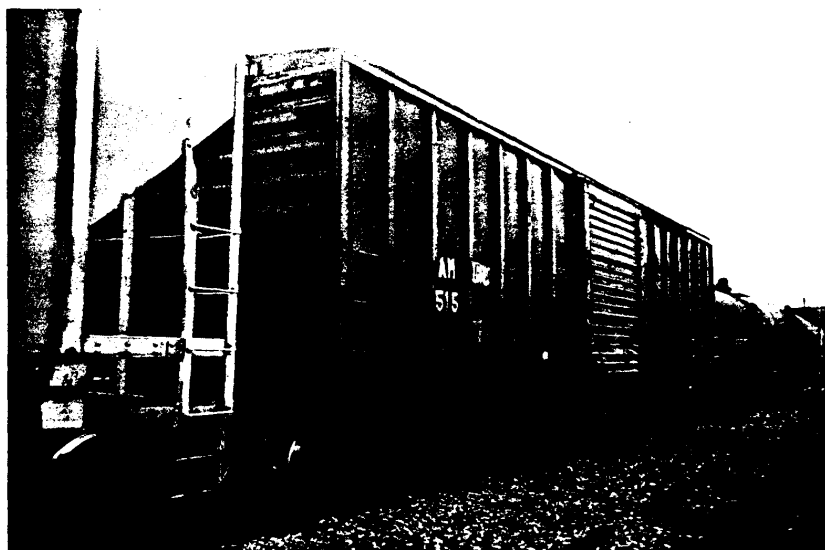
NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>End Construction</u>	
2	Coupler	Good- "A"- F60CHTR "B"- F60CHTR
2	Draft Gear	"A"- weak- "B"- good
2	Draft Yoke	"B"- cracked
2	Center Casting	Good- welded
2	Gear Pocket Length	Good
2	Body Center Plate	Fasteners attached- "A" end loose
2	Striker Casting	Good- welded
2	End Sill Channel	Good
1	Hand Brake	Good- Elcon National
1	Air Brake System	Good- ABD/ABDW
2	End Sheet	Good
	<u>Side Construction</u>	
2	Top Side Angle	Good
2	Side Sill	Good
	Side Sheets - Right	Several parts bowed- A end
	Side Sheets - Left	Good

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Side Construction Cont'd</u>	
2	Door Track - Top	Good
2	Door Track - Bottom	Good
4	Door Post	"AR" bowed
2	Door - Sliding	Good
	<u>Underframe</u>	
1	Center Sill	Good
1	Cushioning Unit	N/A
	Floor Stringer	Good
	Crossbear Diaphragm	Good
	Crosstie Diaphragm	Good
	<u>Car Interior</u>	
2	End Lining	Scraped - rusty
2	Side Lining	Scraped - rusty
1	Roof Sheets	Good
1	Sub-Floor	N/A
1	Top Floor	Good
	<u>Trucks</u>	
2	Wheels - R & L - 1	33" straight plate Good - 23/16" - 23/16"
2	Wheels - R & L - 2	Good - 20/16" - 20/16"
2	Wheels - R & L - 3	Good - 21/16" - 21/16"
2	Wheels - R & L - 4	Good - 23/16" - 23/16"
4	Brake Beam	Good - #18
2	Truck Bolster	Good

CAR NO. AM 515

Page 3 of 3

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Trucks Cont'd</u>	
4	Side Frame	Good
8	Roller Bearing	Good- 6"x11"
8	R.B. Adapter	Good
	Spring - Outer	Good- D5
	Spring - Inner	Good- D5
1	Slack Adjuster	Good
	<u>Other Data</u>	
	Paint on Car	Poor
	Stenciling Data	Poor
	Has Pedestal Frame Key	No
	Has Welded Train Line	No
	Light Weight Date	
	Meet Interchange Requirements	No *
	Trucks	Barber 52
Remarks: * due to loose center plate		



Arkansas and Missouri Railroad Company
Car No. AM515, 50'-6" 70 Ton Box Car
Camden, AR - 11/30/93
Left side view prior to reconditioning

CAR INSPECTION RECORDBOX CARSJOB NO. DCC 111193OWNER/LESSOR Arkansas and Missouri RR LESSEE _____CAR NO. AM 551 LOCATION Camden, AR INSPECTOR D. A. KuhlDATE BUILT 12/79 BUILDER _____ DATE INSPECTED 11/30/93PLATE C LENGTH 50'-6" CAPACITY 70 TONSGENERAL CONDITION Good

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>End Construction</u>	
2	Coupler	Good - E60CHT8
2	Draft Gear	Good
2	Draft Yoke	Good
2	Center Casting	Good - welded
2	Gear Pocket Length	Good
2	Body Center Plate	Good - fasteners attached
2	Striker Casting	Good - welded
2	End Sill Channel	Good
1	Hand Brake	Good - Elcon National
1	Air Brake System	Good - ABD/ABDW
2	End Sheet	Good
	<u>Side Construction</u>	
2	Top Side Angle	Good
2	Side Sill	Good
	Side Sheets - Right	Good
	Side Sheets - Left	Good

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Side Construction Cont'd</u>	
2	Door Track - Top	Good
2	Door Track - Bottom	Good
4	Door Post	Good
2	Door - Sliding	Left door bulges slightly
	<u>Underframe</u>	
1	Center Sill	Good
1	Cushioning Unit	N/A
	Floor Stringer	Good
	Crossbear Diaphragm	Good
	Crosstie Diaphragm	Good
	<u>Car Interior</u>	
2	End Lining	Scraped-rusty
2	Side Lining	Scraped-rusty
1	Roof Sheets	Good
1	Sub-Floor	N/A
1	Top Floor	Good
	<u>Trucks</u>	33" curved plate
2	Wheels - R & L - 1	22 ¹ / ₁₆ " - 22 ² / ₁₆ " - good
2	Wheels - R & L - 2	22 ¹ / ₁₆ " - 21 ¹ / ₁₆ " - good
2	Wheels - R & L - 3	23 ¹ / ₁₆ " - 22 ¹ / ₁₆ " - good
2	Wheels - R & L - 4	22 ¹ / ₁₆ " - 21 ¹ / ₁₆ " - good
4	Brake Beam	Good - #18
2	Truck Bolster	Good

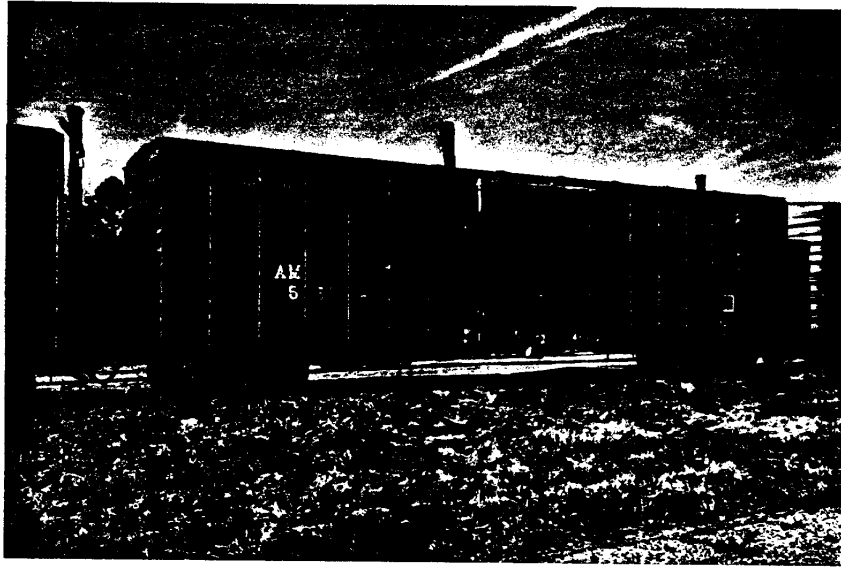
CAR NO. AM 551

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NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Trucks Cont'd</u>	
4	Side Frame	Good
8	Roller Bearing	Good- 6" x 11"
8	R.B. Adapter	Good
	Spring - Outer	Good- D5
	Spring - Inner	Good- D5
1	Slack Adjuster	Good
	<u>Other Data</u>	
	Paint on Car	Poor
	Stenciling Data	Fair
	Has Pedestal Frame Key	No
	Has Welded Train Line	No
	Light Weight Date	
	Meet Interchange Requirements	Yes
	Trucks	Barber SZ
Remarks: _____ _____ _____ _____ _____ _____ _____		

1/4/93

NWS&A Form No. CIR-BC



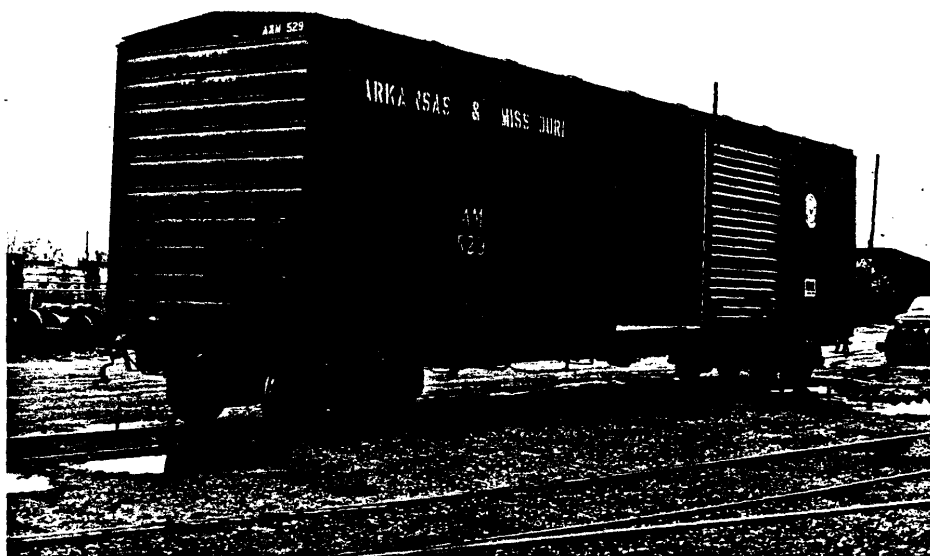
Arkansas and Missouri Railroad Company
Car No. AM551, 50'-6" 70 Ton Box Car
Camden, AR - 11/30/93
Left side view prior to reconditioning



Arkansas and Missouri
Railroad Company
Car No. AM551, 50'-6"
70 Ton Box Car
Camden, AR - 11/30/93
Partial interior view prior
to reconditioning (typical)



Arkansas and Missouri Railroad Company
Car No. AM524, 50'-6" 70 Ton Box Car
Waycross, GA - 3/93
Left side view after reconditioning



Arkansas and Missouri Railroad Company
Car No. AM529, 50'-6" 70 Ton Box Car
Springdale, AR - 3/93
Left side view after reconditioning

CAR INSPECTION RECORDBOX CARSJOB NO. DCC 111193OWNER/LESSOR Arkansas and Missouri RR LESSEE _____CAR NO. AM 565 LOCATION Camden, AR INSPECTOR DalehlDATE BUILT 12/79 BUILDER _____ DATE INSPECTED 11/30/93PLATE C LENGTH 50'-6" CAPACITY 70 TONSGENERAL CONDITION Good

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>End Construction</u>	
2	Coupler	Good - <u>FLAUCHTQ</u>
2	Draft Gear	Good
2	Draft Yoke	Good
2	Center Casting	Good - welded
2	Gear Pocket Length	Good
2	Body Center Plate	Good - fasteners attached
2	Striker Casting	Good - welded
2	End Sill Channel	Good
1	Hand Brake	Good - <u>Ellen National</u>
1	Air Brake System	Good - <u>ABD/ABDW</u>
2	End Sheet	Good
	<u>Side Construction</u>	
2	Top Side Angle	Good
2	Side Sill	Good
	Side Sheets - Right	Good
	Side Sheets - Left	Good

NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Side Construction Cont'd</u>	
2	Door Track - Top	Good
2	Door Track - Bottom	Good
4	Door Post	Good
2	Door - Sliding	Left - forklift cut Right - bulges slightly
	<u>Underframe</u>	
1	Center Sill	Good
1	Cushioning Unit	N/A
	Floor Stringer	Good
	Crossbear Diaphragm	Good
	Crosstie Diaphragm.	Good
	<u>Car Interior</u>	
2	End Lining	Scraped rusty
2	Side Lining	Scraped rusty
1	Roof Sheets	Good
1	Sub-Floor	N/A
1	Top Floor	Good
	<u>Trucks</u>	
2	Wheels - R & L - 1	33" curved plate Good - 23/16" - 23/16"
2	Wheels - R & L - 2	Good - 22/16" - 22/16"
2	Wheels - R & L - 3	Good - 22/16" - 22/16"
2	Wheels - R & L - 4	Good - 22/16" - 22/16"
4	Brake Beam	Good - #18
2	Truck Bolster	Good

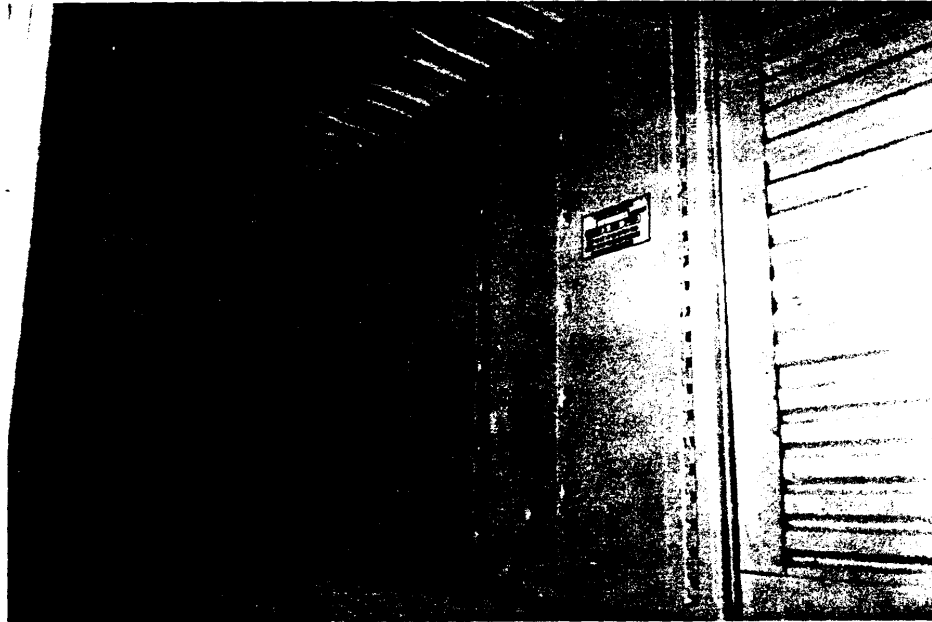
CAR NO. AM 565

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NO. PCS. PER CAR	PART DESCRIPTION	CONDITION OF PART
	<u>Trucks Cont'd</u>	
4	Side Frame	Good
8	Roller Bearing	Good- 6" x 11"
8	R.B. Adapter	Good
	Spring - Outer	Good- DS
	Spring - Inner	Good- DS
1	Slack Adjuster	Good
	<u>Other Data</u>	
	Paint on Car	Poor
	Stenciling Data	Poor
	Has Pedestal Frame Key	No
	Has Welded Train Line	No
	Light Weight Date	SBD 4/85
	Meet Interchange Requirements	Yes
	Trucks	Barber 52
Remarks: <u>Center sill to end angle welds cracked- 'B' end</u>		

1/4/93

NWS&A Form No. CIR-BC



Arkansas and Missouri Railroad Company
50'-6" 70 Ton Box Car
Partial interior view after reconditioning (typical)

NORMAN W. SEIP & ASSOCIATES

Management Consultants

A Division of Ridgefield Development Corporation

100 State Street, Suite 203, Erie, Pennsylvania 16507 814/454-6011 FAX 814/459-2525

BACKGROUND INFORMATION AND QUALIFICATIONS

Norman W. Seip & Associates is a Division of Ridgefield Development Corporation, a Pennsylvania Corporation founded in July, 1972. The consulting business was organized in January, 1979 and specializes in the railroad and urban transportation industries and companies which serve them.

Areas of expertise include strategic business planning, operations analysis, organization planning, market studies, new business venture evaluations, and equipment remanufacture, inspection and appraisal services.

The Company is a member of the Railway Progress Institute.

During the 1989-1992 time period, significant inspection and/or appraisal services were performed for the following clients:

The Atchison, Topeka & Santa Fe Railway Company - Schaumburg, IL
BNY Leasing Corporation - New York, NY
CIS Corporation - Stamford, CT
The CIT Group/Equipment Financing, Inc. - New York, NY
Chase Manhattan Leasing Company - New York, NY
Compass Capital Corporation - San Francisco, CA
Concord Commercial Corporation - Malvern, PA
Cypress Leasing Corporation - San Francisco, CA
Deutsche Credit Corporation - Deerfield, IL
First Interstate Bank of Texas - Houston, TX
First National Bank of Boston - Boston, MA
First National Bank of Maryland - Baltimore, MD
General Electric Railcar Services Corporation - Chicago, IL
GWI Leasing Corporation - Greenwich, CT
Illinois Central Railroad Company - Chicago, IL
Industrie Leasing AG (Swiss Bank subsidiary) - Zurich, SWITZERLAND
National Bank of Canada - New York, NY
NatWest Leasing Corporation - New York, NY
Pitney Bowes Credit Corporation - Norwalk, CT
PNC Leasing Corporation - Pittsburgh, PA
Railroad Financial Corporation - Chicago, IL
Senstar Capital Corporation - Pittsburgh, PA
State Street Bank and Trust Company - Boston, MA

The value of rail equipment appraised during the above mentioned time period exceeded \$500 million.

Should it be desired to discuss our services with any of the above listed clients, we will be pleased to furnish the name and telephone number of the contact officer involved.

Management Consultation Services / Operations Analysis / Organization Planning /
Project Management / Market Studies / Equipment Appraisal / Inspection Services

EXHIBIT C
(LIST OF CARS)

Sixty Nine (69) Fifty Foot Seventy Ton Boxcars:

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)	PREV MARK	PREV NUMBER
AM	500	NONE	NONE	MPA	037699
AM	501	NONE	NONE	MPA	037746
AM	502	NONE	NONE	MPA	037750
AM	503	NONE	NONE	MPA	037751
AM	504	NONE	NONE	MPA	037752
AM	505	NONE	NONE	MPA	037753
AM	506	NONE	NONE	MPA	037755
AM	507	NONE	NONE	MPA	037756
AM	508	NONE	NONE	MPA	037757
AM	509	NONE	NONE	MPA	037758
AM	510	NONE	NONE	MPA	037759
AM	511	NONE	NONE	MPA	037760
AM	512	NONE	NONE	MPA	037762
AM	513	NONE	NONE	MPA	037763
AM	514	NONE	NONE	MPA	037764
AM	515	NONE	NONE	MPA	037765
AM	516	NONE	NONE	MPA	037766
AM	517	NONE	NONE	MPA	037767
AM	518	NONE	NONE	MPA	037768
AM	519	NONE	NONE	MPA	037769
AM	520	NONE	NONE	MPA	037770
AM	521	NONE	NONE	MPA	037771
AM	522	NONE	NONE	MPA	037772
AM	523	NONE	NONE	MPA	037773
AM	524	NONE	NONE	MPA	037774
AM	525	NONE	NONE	MPA	037775

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)	PREV MARK	PREV NUMBER
AM	526	NONE	NONE	MPA	037777
AM	527	NONE	NONE	MPA	037778
AM	528	NONE	NONE	MPA	037779
AM	529	NONE	NONE	MPA	037780
AM	530	NONE	NONE	MPA	037782
AM	532	NONE	NONE	MPA	037784
AM	533	NONE	NONE	MPA	037786
AM	534	NONE	NONE	MPA	037787
AM	535	NONE	NONE	MPA	037788
AM	536	NONE	NONE	MPA	037789
AM	537	NONE	NONE	MPA	037790
AM	538	NONE	NONE	MPA	037791
AM	539	NONE	NONE	MPA	037792
AM	540	NONE	NONE	MPA	037793
AM	541	NONE	NONE	MPA	037794
AM	542	NONE	NONE	MPA	037795
AM	543	NONE	NONE	MPA	037796
AM	544	NONE	NONE	MPA	037797
AM	545	NONE	NONE	MPA	037798
AM	546	NONE	NONE	MPA	037799
AM	547	NONE	NONE	MPA	037851
AM	548	NONE	NONE	MPA	037852
AM	549	NONE	NONE	MPA	037853
AM	550	NONE	NONE	MPA	037854
AM	551	NONE	NONE	MPA	037855
AM	552	NONE	NONE	MPA	037856
AM	553	NONE	NONE	MPA	037857
AM	554	NONE	NONE	MPA	037858
AM	555	NONE	NONE	MPA	037859
AM	556	NONE	NONE	MPA	037860
AM	557	NONE	NONE	MPA	037861

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)	PREV MARK	PREV NUMBER
AM	558	NONE	NONE	MPA	037862
AM	560	NONE	NONE	MPA	037864
AM	561	NONE	NONE	MPA	037865
AM	562	NONE	NONE	MPA	037866
AM	563	NONE	NONE	MPA	037868
AM	564	NONE	NONE	MPA	037869
AM	565	NONE	NONE	MPA	037870
AM	566	NONE	NONE	MPA	037871
AM	567	NONE	NONE	MPA	037872
AM	570	NONE	NONE	MPA	037875
AM	571	NONE	NONE	MPA	037903
AM	572	NONE	NONE	MPA	037907

IN WITNESS WHEREOF, I have set my hand this ____ day of _____, 1993.

By: _____

Title: _____

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EXHIBIT E

LOAN ADVANCE CERTIFICATE

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)	AMOUNT OF LOAN ADVANCE
AM	500	NONE	NONE	\$14,000.00
AM	501	NONE	NONE	\$14,000.00
AM	502	NONE	NONE	\$14,000.00
AM	503	NONE	NONE	\$14,000.00
AM	504	NONE	NONE	\$14,000.00
AM	505	NONE	NONE	\$14,000.00
AM	506	NONE	NONE	\$14,000.00
AM	507	NONE	NONE	\$14,000.00
AM	508	NONE	NONE	\$14,000.00
AM	509	NONE	NONE	\$14,000.00
AM	510	NONE	NONE	\$14,000.00
AM	511	NONE	NONE	\$14,000.00
AM	512	NONE	NONE	\$14,000.00
AM	513	NONE	NONE	\$14,000.00
AM	514	NONE	NONE	\$14,000.00
AM	515	NONE	NONE	\$14,000.00
AM	516	NONE	NONE	\$14,000.00
AM	517	NONE	NONE	\$14,000.00
AM	518	NONE	NONE	\$14,000.00
AM	519	NONE	NONE	\$14,000.00
AM	520	NONE	NONE	\$14,000.00
AM	521	NONE	NONE	\$14,000.00
AM	522	NONE	NONE	\$14,000.00
AM	523	NONE	NONE	\$14,000.00
AM	524	NONE	NONE	\$14,000.00
AM	525	NONE	NONE	\$14,000.00
AM	526	NONE	NONE	\$14,000.00
AM	527	NONE	NONE	\$14,000.00

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)	AMOUNT OF LOAN ADVANCE
AM	528	NONE	NONE	\$14,000.00
AM	529	NONE	NONE	\$14,000.00
AM	530	NONE	NONE	\$14,000.00
AM	532	NONE	NONE	\$14,000.00
AM	533	NONE	NONE	\$14,000.00
AM	534	NONE	NONE	\$14,000.00
AM	535	NONE	NONE	\$14,000.00
AM	536	NONE	NONE	\$14,000.00
AM	537	NONE	NONE	\$14,000.00
AM	538	NONE	NONE	\$14,000.00
AM	539	NONE	NONE	\$14,000.00
AM	540	NONE	NONE	\$14,000.00
AM	541	NONE	NONE	\$14,000.00
AM	542	NONE	NONE	\$14,000.00
AM	543	NONE	NONE	\$14,000.00
AM	544	NONE	NONE	\$14,000.00
AM	545	NONE	NONE	\$14,000.00
AM	546	NONE	NONE	\$14,000.00
AM	547	NONE	NONE	\$14,000.00
AM	548	NONE	NONE	\$14,000.00
AM	549	NONE	NONE	\$14,000.00
AM	550	NONE	NONE	\$14,000.00
AM	551	NONE	NONE	\$14,000.00
AM	552	NONE	NONE	\$14,000.00
AM	553	NONE	NONE	\$14,000.00
AM	554	NONE	NONE	\$14,000.00
AM	555	NONE	NONE	\$14,000.00
AM	556	NONE	NONE	\$14,000.00
AM	557	NONE	NONE	\$14,000.00
AM	558	NONE	NONE	\$14,000.00
AM	560	NONE	NONE	\$14,000.00

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)	AMOUNT OF LOAN ADVANCE
AM	561	NONE	NONE	\$14,000.00
AM	562	NONE	NONE	\$14,000.00
AM	563	NONE	NONE	\$14,000.00
AM	564	NONE	NONE	\$14,000.00
AM	565	NONE	NONE	\$14,000.00
AM	566	NONE	NONE	\$14,000.00
AM	567	NONE	NONE	\$14,000.00
AM	570	NONE	NONE	\$14,000.00
AM	571	NONE	NONE	\$14,000.00
AM	572	NONE	NONE	\$14,000.00
----- TOTALS				\$966,000.00

The undersigned certifies that he/she is the _____ of Allied Enterprises, Inc., the Borrower; that to the best knowledge and belief of the undersigned, this Certificate delivered pursuant to Section A.2(1)(b), of the Loan and Security Agreement by and between Allied Enterprises, Inc. and Deutsche Credit Corporation, as Lender, dated _____, (the "Loan and Security Agreement"), to the best of the undersigned's knowledge, is true, accurate and complete as of the date hereof; that to the best knowledge and belief of the undersigned, the totals set forth above are true and accurate and that the Railcars set forth above are being acquired free and clear of any and all liens and encumbrances, and have been or are to be delivered to the Arkansas and Missouri Railroad, which is to lease the Railcars from the undersigned Borrower; and that to the best knowledge and belief of the undersigned, the funds to be advanced pursuant to this certificate are within the maximum to the best of the undersigned's knowledge, permitted under the Loan and Security Agreement.

IN WITNESS WHEREOF, I have set my hand this ____ day of _____, 1993.

By: _____

Title: _____

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Exhibit F

Deutsche Credit Corporation
2333 Waukegan Road
Deerfield, IL 60015

A certain Loan and Security Agreement dated 12-29-93, by
and between Allied Enterprises, Inc. as Borrower and
Deutsche Credit Corporation as Lender.

Gentlemen:

We hereby irrevocably authorize, direct and request that you pay

Allied Railcar Company

at 6 West Hubbard Street, Chicago, Illinois 60610

the sum of \$ 966,000.00 which represents the entire proceeds
due the undersigned under captioned.

Payment by you to Allied Railcar Company as
aforesaid shall be in all respects the equivalent of payment directly to us and
you shall not be obligated to see to the application thereof by the recipient.

Sincerely,

Allied Enterprises, Inc.

By: _____

Title: _____

Date: _____

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Exhibit G

**ALLIED ENTERPRISES, INC.
CERTIFICATE OF INCUMBENCY**

I, Mary M. Martin, Secretary of Allied Enterprises, Inc., a corporation organized and existing under the laws of the State of Delaware, DO HEREBY CERTIFY that the following named persons on _____, 19____, and at all times subsequent thereto and including the date hereof were duly elected to, qualified for, and held the offices indicated after their names and the following are specimen signatures of such officers:

<u>Name</u>	<u>Office</u>	<u>Specimen Signature</u>
J.A. Hannold	President	_____
G.B. McCready	Vice President	_____
Mary M. Martin	Secretary	_____
Mary M. Martin	Treasurer	_____
J.A. Brooks	Asst. Treasurer	_____
Greg Moldenhauer	Asst. Secretary	_____

IN WITNESS WHEREOF, I have hereunto affixed my signature and the corporate seal of this corporation this ____ day of _____, 1993.

CORPORATE SEAL

Secretary

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EXHIBIT H

**CLOSING
CERTIFICATE**

Pursuant to that certain Loan and Security Agreement dated as of _____, 1993 (the "Agreement") between ALLIED ENTERPRISES, INC. (the "Borrower") and DEUTSCHE CREDIT CORPORATION ("Lender"), the undersigned hereby certifies to Lender, to the best of the undersigned's knowledge and belief that the representations and warranties of Borrower contained in the Agreement and of each party in any documents or certificates delivered pursuant to the Agreement shall be and are true and correct on and as of the Loan Advance Closing (as defined in the Agreement) with the same effect as though made on and as of the Loan Advance Closing, and as of the Loan Advance Closing there shall be and is no default under any leases with respect to the Railcars (as defined in the Agreement), or the occurrence of any event which, but for the lapse of time or the giving of notice, or both, would constitute such a default.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the _____ day of _____ 1993.

ALLIED ENTERPRISES, INC.

By: _____

Title: _____

Exhibit I

MEMORANDUM OF LEASE AGREEMENT

1. Lease Agreement is made and entered into as of _____, 19____, by and between Allied Enterprises, Inc., a Delaware corporation (hereinafter, "Allied") and Arkansas and Missouri Railroad Company (hereinafter, "A and M").

2. Subject to the terms and condition of the Lease Agreement, Allied agrees to lease to A and M and A and M agrees to (and hereby does) lease from Allied sixty-nine (69) used fifty (50') foot, seventy (70) ton boxcars bearing the reporting marks as more fully set forth on Schedule A attached hereto.

3. The addresses of the parties are as follows:

Allied Enterprises, Inc.
107 N. Commercial Street
Springdale, AR 72764

Arkansas and Missouri Railroad Company
107 N. Commercial Street
Springdale, AR 72764

4. The term of the Lease Agreement is ____ years, commencing _____, 19____. The initial term hereof expires _____, 19____.

5. The terms and provisions of this Lease Agreement are more particularly set forth in a Lease Agreement of even date by and between Allied and A and M.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of the Lease Agreement to be executed as of the day and year first above written.

Allied Enterprises, Inc.
(LESSOR)

By: _____

Title: _____

[CORPORATE SEAL]

Arkansas and Missouri Railroad Company
(LESSEE)

By: _____

Title: _____

[CORPORATE SEAL]

SCHEDULE A
TO MEMORANDUM OF LEASE AGREEMENT

Sixty Nine (69) Fifty Foot Seventy Ton Boxcars:

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	500	NONE	NONE
AM	501	NONE	NONE
AM	502	NONE	NONE
AM	503	NONE	NONE
AM	504	NONE	NONE
AM	505	NONE	NONE
AM	506	NONE	NONE
AM	507	NONE	NONE
AM	508	NONE	NONE
AM	509	NONE	NONE
AM	510	NONE	NONE
AM	511	NONE	NONE
AM	512	NONE	NONE
AM	513	NONE	NONE
AM	514	NONE	NONE
AM	515	NONE	NONE
AM	516	NONE	NONE
AM	517	NONE	NONE
AM	518	NONE	NONE
AM	519	NONE	NONE
AM	520	NONE	NONE
AM	521	NONE	NONE
AM	522	NONE	NONE
AM	523	NONE	NONE
AM	524	NONE	NONE
AM	525	NONE	NONE

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	526	NONE	NONE
AM	527	NONE	NONE
AM	528	NONE	NONE
AM	529	NONE	NONE
AM	530	NONE	NONE
AM	532	NONE	NONE
AM	533	NONE	NONE
AM	534	NONE	NONE
AM	535	NONE	NONE
AM	536	NONE	NONE
AM	537	NONE	NONE
AM	538	NONE	NONE
AM	539	NONE	NONE
AM	540	NONE	NONE
AM	541	NONE	NONE
AM	542	NONE	NONE
AM	543	NONE	NONE
AM	544	NONE	NONE
AM	545	NONE	NONE
AM	546	NONE	NONE
AM	547	NONE	NONE
AM	548	NONE	NONE
AM	549	NONE	NONE
AM	550	NONE	NONE
AM	551	NONE	NONE
AM	552	NONE	NONE
AM	553	NONE	NONE
AM	554	NONE	NONE
AM	555	NONE	NONE
AM	556	NONE	NONE
AM	557	NONE	NONE

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	558	NONE	NONE
AM	560	NONE	NONE
AM	561	NONE	NONE
AM	562	NONE	NONE
AM	563	NONE	NONE
AM	564	NONE	NONE
AM	565	NONE	NONE
AM	566	NONE	NONE
AM	567	NONE	NONE
AM	570	NONE	NONE
AM	571	NONE	NONE
AM	572	NONE	NONE

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STATE OF)
)ss
COUNTY OF)

On this ____ day of _____, 19____, before me personally appeared _____
_____, to me personally known, who being by me duly sworn that he/she is
the _____ of Allied Enterprises, Inc. respectively, that the seal
affixed to the foregoing instrument is the corporate seal of said corporation,
that said instrument was signed and sealed on behalf of said corporation, that
said instrument was signed and sealed on behalf of said corporation by authority
of its Board of Directors, and he/she acknowledged that the execution of the
foregoing instrument was the free act and deed of said corporation.

Notary Public

STATE OF ARKANSAS)
)ss
COUNTY OF)

On this ____ day of _____, 19____, before me personally appeared _____
_____, to me personally known, who being by me duly sworn that he/she is
the _____ of the Arkansas and Missouri Railroad Company, that the seal
affixed to the foregoing instrument is the corporate seal of said corporation by
authority of its Board of Directors, and he/she acknowledged that the execution
of the foregoing instrument was the free act and deed of said corporation.

Notary Public

RAILROAD EQUIPMENT LEASE

This RAILROAD EQUIPMENT LEASE is entered into as of the 10th day of August, 1993, by and between ALLIED ENTERPRISES, INC., a Delaware corporation, hereinafter referred to as "Lessor"), and the ARKANSAS AND MISSOURI RAILROAD COMPANY, a Virginia Corporation (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, Lessee desires to lease from Lessor and Lessor desires to lease to Lessee all of the items of equipment, specifically identified herein, on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the rents, covenants and conditions hereinafter described, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Lease of Railcars. Lessor agrees to furnish and lease to Lessee, and Lessee agrees to accept and use, upon the terms and conditions set forth herein, the railcars described on the rider(s) attached hereto and such additional riders as may be added hereto from time to time by agreement of the parties (collectively called the "Cars"). Each rider shall be in the form of Exhibit A attached hereto and shall set forth a description of the Cars, the number of Cars of each type, the specific Car marks and numbers as registered with the Association of American Railroads ("AAR"), the period for which the Cars will be leased (the "Term"), the rental charge per-car-per-period, the specific commodity or freight to be carried therein or thereon, any specific restrictions on use, the delivery location, and other pertinent information that may be desired by both parties. All Cars leased pursuant to such rider(s), or otherwise delivered to and accepted by Lessee, are and shall be subject to the terms and conditions of this Lease and/or any such riders hereto. This Lease and any and all riders hereto are herein collectively called the "Lease."

2. Net Lease. This Lease is a net lease. Lessee's obligation to pay all rent and other amounts payable hereunder, to maintain the Cars pursuant to paragraph 7 hereof and to insure the Cars pursuant to paragraph 19 hereof, shall be absolute and unconditional under any and all circumstances and, except to the extent expressly provided otherwise herein, Lessee shall not be

entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Lessor whether under this Lease or otherwise, including the Lessee's rights by subrogation hereunder or thereunder against the Lessor or otherwise; nor, except to the extent expressly provided otherwise herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Cars from whatever cause, any liens, encumbrances or rights of others with respect to any of the Cars, the prohibition of or other restriction against the Lessee's use of all or any of the Cars, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency of or bankruptcy, reorganization or similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rent and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Cars except in accordance with the express terms hereof. Each rent or other payment made by the Lessee hereunder shall be final, and the Lessee shall not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

3. Delivery, Inspection and Acceptance of the Cars.

Lessor agrees to deliver the Cars to Lessee, at Lessee's expense, to the point(s) designated in the applicable rider hereto or as otherwise mutually agreed by Lessor and Lessee. Lessor shall have no liability or obligation to Lessee for any delay in delivery resulting from causes beyond Lessor's control. Each of the Cars shall be subject to an inspection by Lessee upon delivery. The condition of each Car will be evidenced by completion of a Certificate of Acceptance in the form of Exhibit B attached hereto. Lessee agrees to accept each such Car or to immediately notify Lessor of the nature and extent of any material defect that causes any Car to be reasonably deemed by the Lessee as unfit for use by Lessee. Execution by Lessee of a Certificate of Acceptance showing a car to be free of material defects shall constitute acceptance thereof by Lessee. If no such Certificate shall have been so executed, then the loading of any Car so delivered, by the Lessee or at its direction, or the

failure by Lessee to report any material defect in a car within five (5) days of delivery, shall be deemed to constitute acceptance thereof by Lessee, as of the date of delivery.

4. Payment of Rent. Lessee's obligation to pay Lessor rent and any other amounts required under this Lease for any Car shall commence on the date of acceptance by Lessee of such Car and shall continue in all events until the end of the Term for such Car as set forth in the applicable rider hereto, or the obligation to pay the same shall be terminated pursuant to paragraphs 8 or 21 hereof, and, in any case other than casualty loss, until the Cars have been returned to the possession of Lessor pursuant to, and in the condition required by, paragraph 13 hereof. Lessee agrees to pay such rent and other amounts due in accordance with the terms of this Lease. Lessee shall not be entitled to any abatement or reduction of, or setoff against, rent or any other amounts payable hereunder including, but not limited to, abatements, reductions or setoffs arising from any claims of Lessee against Lessor, under this Lease or otherwise, or against any other party. The rent shall be paid to Lessor in United States immediately available funds, monthly in advance on the first day of each month, and shall be prorated for any period for any Car that is leased for less than a full calendar month. Such payments shall be remitted to Lessor by wire transfer in accordance with instructions indicated on the applicable rider or, in the absence of such instructions, by check payable to Lessor via first-class mail to: ALLIED ENTERPRISES, INC., Attention: J. A. Hannold, 107 North Commercial Street, Springdale, AR 72764, or pursuant to such other instructions as Lessor shall from time to time direct in writing.

5. Use of the Cars. Lessee agrees (i) to use the Cars in its own service and in normal interchange service or as hereinafter provided; (ii) to use the Cars when on Lessee's lines only to carry the commodities described in the rider relating to such Cars; (iii) to use the Cars when on Lessee's lines in accordance with industry standards and in accordance with the rules and regulations of the AAR (including, without limitation, the Interchange Rules and the Codes of Car Hire and Car Service Rules), the Federal Railroad Administration ("FRA"), the Interstate Commerce Commission ("ICC"), the Department of Transportation ("DOT") and any other legislative, executive, administrative, judicial or governmental body exercising any power or jurisdiction over the Cars, to the extent such laws and rules affect the ownership, possession, operations or use of such Cars, or any successor organizations; (iv) to ensure that none of the Cars is loaded by Lessee in excess of the load limit stenciled on each of the Cars; and (v) that none of the Cars shall be shipped beyond the boundaries of the United States, Canada or Mexico except with the prior written consent of Lessor. Lessee may not use or allow the use of the Cars beyond the

boundaries of the United States, Canada or Mexico, or otherwise use, sublease, or permit the use of the Cars in any manner so as to cause Lessor to lose any deductions, credits or other benefits of ownership thereof under the Internal Revenue Code of 1986, as amended (the "Code"), or so as to cause any income hereunder to be designated as foreign source income or loss under the Code.

6. Taxes and Charges. Lessor shall be solely responsible for the payment of income taxes assessed against it for any rental or casualty payment received under this Lease. Lessee shall be responsible for and shall pay in a timely manner, and shall indemnify and hold Lessor harmless from: (i) any and all other taxes (withholding or otherwise), including but not limited to any ad valorem or property taxes imposed by the United States, Canada, Mexico, or any other country, or any state or province thereof, or any governmental or administrative subdivision thereof, and any sales, lease, use, gross receipts, franchise or single business taxes, and (ii) any and all other charges, license fees, assessments, fines, levies, imposts, duties, tariffs, customs duties, switching charges, mileage equalization charges, empty movement charges, track storage, detention or demurrage charges currently levied or imposed or arising from any change in law or otherwise, including penalties and interest thereon, levied or imposed by any domestic or foreign, federal, state or local government or taxing authority, railroad or other agency, imposed upon, or with respect to, either the Cars, the Lease, Lessee or Lessor in connection with this Lease. Lessee shall be under no obligation to pay any such taxes or other charges so long as Lessee is contesting in good faith and by appropriate legal proceedings imposition of such taxes or other charges and the nonpayment thereof does not or will not, in the reasonable opinion of Lessor, adversely affect any title, property or rights of Lessor hereunder in or to the rent or other sums payable under the Lease or in or to any Car, or diminish the value thereof. For the purpose of this paragraph the railroad mileage and junction reports shall be prima facie evidence of the facts reported therein. Lessee agrees to promptly reimburse Lessor for any of the foregoing paid by Lessor.

7. Maintenance and Repair of Cars. Lessee shall, at its own expense and risk, maintain and repair the Cars throughout the Term in good and fully serviceable condition, suitable for unrestricted revenue service and interchange, and in accordance with all applicable laws, rules and regulations of the FRA, the ICC, the DOT, the AAR and any and all other organizations or their successors with authority or jurisdiction over the operation of railcars in the geographic areas in which, or through which, the Cars operate or travel. Lessee shall promptly notify Lessor upon receipt by Lessee of knowledge that any of the Cars have been classified as "heavy bad order" or an equivalent classification, and of any substantial damage to any of the Cars.

8. Casualty. In the event any Car is irreparably damaged or destroyed or is out of service due to the loss or damage to or condition of the Car for more than 60 days, Lessee shall pay to Lessor, on the next following rent payment date, an amount equal to the greater of (i) casualty value of such Car as set forth in the casualty loss schedule attached to the applicable rider hereto, and (ii) that amount that would be payable to the owner of the Car under Rule 107 of the AAR, or any successor rule adopted by the AAR or any successor organization, in effect as of the date such car is removed from service, calculated under the assumption that Rule 107 is applicable under the circumstances relating to the loss, damage or destruction of the Car. Upon receipt of the casualty value amount and Rule 107 payment in connection with a Car, Lessor shall assign title to the Car to Lessee free of all liens and encumbrances. Rent in respect to any such Car will continue until all amounts due and payable to Lessor pursuant to clauses (i) and (ii) above in respect of such Car are received by Lessor, at which time this Lease shall be terminated as to the Subject Car.

9. Interior Protective Linings. Lessee agrees that it will, at its own expense, expressly in addition to its obligations to maintain the Cars under this Lease, maintain any interior protective linings or coatings in any of the Cars in a condition at least as good as when delivered to and accepted by Lessee and, in any case, free of perforation from corrosion, erosion or other damage. Lessee will not make any material change in the interior protective linings of any car without the prior written consent of Lessor, which consent shall specify the return conditions for such lining. In the event such consent is granted, the removal, modification, maintenance and/or application of any interior protective lining in any Car is to be performed by and at the sole expense and risk of Lessee, unless otherwise specifically provided for in the applicable rider or in such consent.

10. Modifications to Cars. Lessee agrees that it will not make any modifications to any of the Cars without the prior written consent of Lessor. In the event that any governmental agency or non-governmental organization having jurisdiction over the operation, safety or use of railroad equipment requires that any addition, removal, modification, replacement or adjustment be made to any of the Cars in order to qualify them for operation in railroad interchange service (hereinafter "Modifications"), Lessee agrees to pay all costs or expenses required to make any such Modifications. Any parts or items added, whether as replacements or additions or Modifications, shall be considered accessions to the Cars and title thereto shall be immediately vested in Lessor at no cost or expense to Lessor, and shall remain on and not be removed from the Cars upon the return of the Cars to Lessor at lease termination.

11. Markings on Car. Upon delivery to Lessee, the Cars will bear reporting marks and car numbers as detailed in the applicable rider to this Lease and as registered with the AAR. Lessee shall reimburse Lessor for the cost of blasting, painting and stenciling the Cars. Lessee shall insure that the Cars remain so marked throughout the term of this Lease. No lettering or marking of any kind shall be placed upon or removed from any of the Cars by Lessee without prior written notice to Lessor, except as directed by Lessor or as mandated under requirements of the FRA, the ICC, the DOT, the AAR or other governmental agency or non-governmental organization having jurisdiction over labels or markings on railroad equipment. In the event any such change in any markings on any Cars is mandated by any such organization with jurisdiction, Lessee will immediately notify Lessor in writing prior to effecting such change, and, if requested to do so by Lessor, Lessee will file a statement of new car numbers or otherwise arrange for the reregistration of the Cars as required by any governmental or non-governmental agency or organization in order to maintain the existing registration of the Cars and in order to protect Lessor's title and interest in and to the Cars and in and to the Lease. Any such allowed or required changes in or of lettering or markings on a Car shall be performed at the expense and risk of Lessee. Lessee will keep and maintain, plainly, distinctly, permanently, and conspicuously marked on each side of each Car, in letters not less than one inch in height, the following words: "Ownership subject to documents filed with the ICC," or other appropriate words designated by Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law or reasonably requested by Lessor in order to protect the title of Lessor to the Cars and the rights of Lessor under this Lease. Lessee will not place any of the Cars in operation or exercise any control or dominion over the same until such words have been so marked on both sides thereof and will replace promptly any such words which may be removed, defaced or destroyed. Lessee will not allow the name of any person, association or corporation to be placed on any of the Cars as a designation which might be interpreted as a claim of ownership thereof; provided, however, that Lessee may permit the Cars to be lettered with the names, trademarks, initials or other insignias customarily used by the Lessee, so long as this Lease shall remain in effect, on railroad equipment used by it of the same or similar type for convenience of identification of the right of the Lessee to use the Cars under this Lease.

12. Inspections and Records. Lessor or its designated agent shall have the right, from time to time, to inspect the Cars and Lessee's records and books with respect to the Cars at any reasonable time with two days' prior, written notice. Lessee agrees to assist Lessor in performing any such inspection to the extent such assistance does not materially interfere with Lessee's operations. Lessee hereby authorizes Lessor, and agrees

that Lessor shall be entitled, to access UMLER and receive all information thereon with respect to the Cars, or the use and operation thereof, together with all other such information as may be available from the AAR, and Lessee agrees to execute such instruments or consents as may be necessary or required in order to carry out the intent of this paragraph 12.

13. Return of Cars. Except as otherwise set forth in the applicable rider with respect to any Car and except as to any Car that suffers a casualty loss covered by Paragraph 8 hereof, upon termination of the Lease with respect to any Car, Lessee agrees, at its sole expense and risk, to store such Car for such reasonable period of time as Lessor shall request, and, at the Lessee's sole expense and risk, to promptly redeliver such Car to Lessor at such interchange points within the continental United States as Lessor may reasonably specify. Each Car shall be subject to Lessor's inspection and acceptance upon redelivery. Each Car shall be in conformance with the applicable requirements of the AAR, the FRA, the ICC, the DOT, and any other legislative, administrative, judicial, regulatory or governmental body having jurisdiction in the matter, or any successor organizations, and shall be in at least as good condition as when delivered to Lessee, ordinary wear and tear excepted, including but not limited to (i) having fully functional and wind/water/commodity tight hatches, doors and outlets; (ii) being free from all charges and liens that Lessee is required to discharge pursuant to paragraph 14 hereof; (iii) being free from all accumulation or deposits, whether from commodities transported in or on the Cars while in the service of Lessee or otherwise; and (iv) replacement of the interior protective lining, if any. In addition, if directed by Lessor, Lessee shall, at its own expense and risk, remove any structural members, bulkheads or any other load carrying or containing devices installed on or attached to any of the Cars by Lessee, repair any damage caused by such removal, and restore such Cars to the same configuration as when originally delivered to Lessee. Promptly upon request by Lessor, Lessee shall remove any markings on the Cars which indicate Lessee has any interest in the Cars and if requested by Lessor, at Lessor's cost, remark the Cars in accordance with Lessor's instructions. For each day any Car shall not have been so returned to Lessor, or for each day any Car so returned is not in such required condition, Lessee's obligation to pay rent and any other amounts under this Lease or riders hereto will continue beyond the termination date in an amount equal to the greater of (i) the then fair market daily rental for such Car as reasonably determined by Lessor or (ii) 125% of the daily rental for such Car indicated in the applicable rider (based upon a proration if no daily rate is set forth on said rider), until Lessee shall so return and/or repair or clean any such Car, or reimburse Lessor for any expenses incurred in repairing or cleaning any such Car. For all purposes of this Lease no Car shall be deemed to have

been returned to Lessor's possession until all of Lessee's obligations herein pertaining to such Car have been performed.

14. Liens on the Equipment. Lessee shall pay or satisfy and discharge any and all liens or charges that may be levied against or imposed upon any Car, and any and all claims that, if unpaid, might constitute or become a lien or a charge upon any Car, except for any lien that (i) results from an affirmative act of Lessor to create a lien, which act is neither consented to by Lessee nor created in connection with a Default (as hereinafter defined), or (ii) results from claims against Lessor not related or connected to the ownership, leasing, use or operation of any of the Cars or its status as lessor under this Lease. Lessee shall not be required to pay or discharge any such claims so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner that will not, in the reasonable opinion of Lessor, adversely affect or endanger the title or interest of Lessor herein or in and to the Cars, or diminish the value of the Cars. Lessee's obligations under this paragraph 14 shall survive the termination of this Lease.

15. Limitations on Lessee's Interest. No right, title or interest in any of the Cars shall vest in Lessee by reason of this Lease or by reason of the delivery to or use by Lessee of the Cars, except the right to use the Cars in accordance with the terms of this Lease. Lessee shall make no transfer, assignment or pledge of its interest under this Lease in and to the Cars without Lessor's or any Assignee's prior written consent, except that Lessee may sublease any of the Cars to its customers for single trips consistent with its normal business practices; provided, however, that notwithstanding any such sublease, Lessee shall continue to remain liable to Lessor, as principal and not as surety, under all terms and conditions of this Lease.

16. Loss of or Damage to Commodities or Freight. Lessor shall not be liable for any loss or damage to any commodity or freight of any kind, or any part thereof, loaded or shipped in or on the Cars. Lessee agrees to assume responsibility for, and any liability arising from, any such loss or damage, and further agrees to indemnify Lessor against, and hold Lessor harmless from, claims for any such loss or damage.

17. Indemnification. Lessee agrees to indemnify and hold harmless Lessor, its employees, agents, officers, directors, shareholders, subsidiaries, affiliates and each of their successors and assigns from and against any loss, liability, claim, cost, damage or expense (including reasonable attorney's fees), of whatsoever kind and nature, arising out of any breach of this Lease by Lessee, or arising out of or in connection with the possession, leasing, subleasing, storage, use, condition,

selection, delivery or return of any Car from the date of acceptance by Lessee to the date of return and acceptance by Lessor, excepting, however, any loss, liability, claim, cost, damage or expense that is attributable to the gross negligence or wilful misconduct of Lessor. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of this Lease. Lessee is an independent contractor, and nothing contained in this Lease shall authorize Lessee or any other person to operate any of the Cars so as to incur or impose any liability or obligation for or on behalf of Lessor.

18. Late Payment. Lessee shall pay interest on any payment or other amount due to Lessor not received by Lessor within five business days of the required due date. Interest on any such late payment will accrue from and including the due date until the date received by Lessor at an interest rate equal to the highest contract rate allowed by law but in any event not to exceed two percent (2%) per month, during the period of delinquency.

19. Insurance. Lessee agrees that during the term of this Lease, it will provide and maintain insurance with respect to the Cars in such amounts and against such risks as are customary in the industry. Such insurance shall be satisfactory in all respects to Lessor in the exercise of reasonable discretion. All insurance shall name Lessor and Deutsche Credit as insureds, and shall provide 30 days' written notice to Lessor of cancellation or of material change with respect to coverage, deductibles, limits, conditions or exclusions. Lessee shall use best efforts to obtain agreements from Insurers to waive all rights of subrogation against Lessor. Insurance shall be primary without right of contribution and shall operate in the same manner as if a separate policy covers each additional insured. The insurance shall not be invalidated by any act or omission of Lessee, its affiliates, employees, officers, directors, or agents, regardless of any breach or violation by Lessee of any warranty, declaration, or condition contained in such policies. Lessee shall, not later than March 1st of each year during the Term of this Lease, furnish to Lessor a certificate of an independent insurance broker acceptable to the Lessor evidencing the maintenance of the insurance required hereunder. Lessee shall furnish to Lessor certificates evidencing renewal of such policy or policies not later than 15 days after the expiration date of such policy or policies. Lessor shall have the right, at Lessor's expense, to carry insurance on the Cars for its own behalf.

20. Default. Each of the following shall be a Default under this Lease: Lessee (i) fails to pay within ten (10) days after the due date any rent or other amount required to be paid

under this Lease; or (ii) fails to perform any of its obligations under this Lease and fails to cure same within thirty (30) days after written notice thereof to Lessee; or (iii) is in default of any of the material terms and conditions of any other lease or other financial obligation of Lessee, which default is not cured within thirty (30) days after Lessee receives written notice thereof; or (iv) is insolvent or makes an assignment for the benefit of creditors, or a trustee or a receiver is appointed for Lessee or for a substantial part of its assets, or a petition in bankruptcy or for reorganization or a similar proceeding is filed by or against Lessee, provided that in cases of a bankruptcy or reorganization proceeding filed against Lessee, same shall not be a default if such proceeding is discharged within sixty (60) days after the commencement of such proceeding; (v) does, or attempts to, abandon, remove, sell, encumber, assign or sublet (other than as specifically permitted hereby) any of the Cars; or (vi) makes or made any material misrepresentation to Lessor in connection with this Lease, provided that such misrepresentation shall not constitute a default hereunder if (A) the misrepresentation was not made knowingly or intentionally by Lessee, (B) such misrepresentation does not cause Lessor to incur a material loss, and (C) Lessee takes prompt steps to correct the misrepresentation.

21. Remedies. Upon the occurrence of a Default and at any time thereafter so long as the Default is continuing, Lessor may, in its sole discretion, do any one or more of the following with respect to any or all of the Cars subject to this Lease: (i) demand immediate payment of the total amount of the unpaid rent and other payments then due; and/or (ii) demand the return of any or all of the Cars in accordance with paragraph 13 hereof; and/or (iii) take possession of any or all of the Cars, without demand or notice, without court order or other processes of law and without liability for any damages occasioned by the taking of possession; and/or (iv) upon notice to Lessee, terminate this Lease and/or any riders hereto as to any or all of the Cars subject thereto; and/or (v) exercise any other right or remedy available to Lessor under applicable law. In the event of any such Default, Lessee shall provide free storage of any Cars subject to this Lease until such Cars are re-leased or sold, shall, at the direction of Lessor, promptly deliver the Cars, at Lessee's expense and risk, to Lessor or its designee at such locations as Lessor shall designate, and shall pay Lessor for all costs and expenses, including attorney's fees and court costs, incurred by Lessor in exercising any of Lessor's rights or remedies hereunder or in enforcing any of the provisions of this Lease. No remedy referred to in this Lease is intended to be exclusive, but each shall be in addition to any other remedy referred to or otherwise available to Lessor. No failure on the part of Lessor to exercise and no delay in exercising any right or remedy hereunder shall operate as a waiver thereof unless

specifically waived by Lessor in writing, nor shall any single or partial exercise by the Lessor of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

22. Sale or Assignment by Lessor. Lessee agrees that Lessor may sell, assign or pledge Lessor's interest in the Cars and/or this Lease and/or any riders hereto, in whole or in part, to any person, firm, partnership or corporation (an "Assignee"), at Lessor's sole discretion, subject to the interests of Lessee arising from this Lease, and that all of the rights of Lessor provided for herein may be enforced without limitation by the Assignee(s). Any such Assignee shall have and be entitled to exercise any and all rights and powers of Lessor hereunder or under any Lease and/or riders hereto but such Assignee shall not be obligated to perform any of the obligations of the Lessor; provided, however, that in the event of a collateral assignment, these rights shall be subject to the terms and conditions of the collateral assignment agreement.

23. Waiver of Warranties and Representations. LESSOR HEREBY MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING BUT NOT LIMITED TO THE DESIGN, CONDITION, COMPLIANCE WITH LAW OR SPECIFICATIONS, OPERATION, MERCHANTABILITY, SUITABILITY, QUALITY, FITNESS FOR A PARTICULAR USE OR SERVICE OR ANY OTHER MATTER CONCERNING THE CARS OR ANY PART THEREOF. LESSEE HEREBY WAIVES ANY CLAIM IT MIGHT HAVE AGAINST LESSOR, ITS SUBSIDIARIES, SUCCESSORS OR ASSIGNS FOR ANY CLAIMS CAUSED BY THE CARS OR ANY DEFECT THEREIN OR THE OPERATION, MAINTENANCE OR REPAIR THEREOF. IT IS FURTHER AGREED THAT LESSOR SHALL HAVE NO LIABILITY TO LESSEE, LESSEE'S CUSTOMERS, OR ANY THIRD PARTIES FOR ANY DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR FOR ANY DAMAGES BASED ON STRICT OR ABSOLUTE TORT LIABILITY ARISING OUT OF THIS LEASE, OR WITH RESPECT TO THE USE, OPERATION, LEASING OR SUBLEASING OF THE CARS OR ANY PART THEREOF. LESSEE EXPRESSLY ACKNOWLEDGES THAT IT LEASES THE CARS "AS-IS."

24. Annual Reports. On or before April 1 of each year during the Term of this Lease, Lessee will furnish to Lessor, Lessee's certificate, as of the preceding December 31, (i) showing the amount, description and numbers of Cars then leased hereunder and the amount, description and numbers of all Cars that may have suffered a Casualty during the preceding twelve (12) months (or since the beginning of the Term if less than twelve months) and such other information regarding the condition and state of repair of the Cars as Lessor may reasonably request, (ii) stating that, in the case of all Cars repaired or repainted during the period covered thereby, the markings required by paragraph 11 hereof have been preserved or replaced, and (iii) containing all other information in the possession of Lessee that

is required to be filed by Lessor with any division of the AAR, the ICC, the DOT, the FRA, or, any other federal, state, administrative, legislative, judicial or governmental body having jurisdiction in the matter. Lessee agrees to provide to Lessor in a timely manner, audited financial statements for itself and its ultimate legal parent (if any) on an annual basis, and unaudited financial statements on a quarterly basis, certified by the Treasurer of Lessee, with supporting detail and documentation to such statements as Lessor may reasonably request from time to time, and such other reports and information as Lessor may from time to time request throughout the Term.

25. ICC Filing. Upon the request of Lessor, Lessee will execute a memorandum of this Lease and or any rider or amendment hereto in form appropriate for filing with the ICC or any other governmental department or agency or non-governmental organization. Lessor, at its discretion, may file and record this Lease and/or any rider or amendment hereto and/or any such memorandum with the ICC or other department or organization.

26. Non-Waiver. Neither the failure nor the delay of Lessor to enforce any provision of this Lease or to prosecute any Default shall be considered as a waiver of that provision or affect the right of Lessor to enforce such provision or any other provision hereof.

27. Law Governing. This Lease and any rider hereto shall be interpreted under, and its performance shall be governed by, the laws of the State of Arkansas without regard to its conflict of laws doctrine, and the applicable laws of the United States. To the extent there exists any conflict between the terms and provisions of this Lease and the terms and provisions of the Interchange Rules or the Codes of Car Hire and Car Service Rules of the AAR, this Lease shall control.

28. Lessee's Representations and Warranties. Lessee hereby represents and warrants that: (i) Lessee is a corporation duly organized, validly existing and in good standing under the laws of the state of Lessee's incorporation and is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction wherein the failure to so qualify could have a material adverse effect on the business or financial condition of Lessee; (ii) Lessee has full power and authority to execute, deliver and perform this Lease and all related documents or instruments and to own or lease its properties and to carry on its business as now conducted and as contemplated by this Lease; (iii) this Lease and all related documents or instruments have been duly authorized, executed and delivered by Lessee and constitute the legal, valid and binding obligations of Lessee enforceable against it in accordance with the terms hereof and thereof; (iv) no authorization, consent or approval of, notice to

or filing with any governmental authority is required for the execution, delivery or performance by Lessee of this Lease or any related document or instrument or for the acceptance, use or maintenance of the Cars; and (v) neither the execution, delivery or performance by Lessee of this Lease or any related document or instrument, nor compliance with the terms and provisions thereof, conflicts or will conflict with or will result in a breach or violation of any of the terms, conditions or provisions of any law, governmental rule or regulation or the charter documents, as amended, or bylaws, as amended, of Lessee or any order, writ, injunction or decree of any court or governmental authority against Lessee or by which it is bound or of any financial, credit or other agreement to which it is a party.

29. Miscellaneous. This Lease shall be binding upon, and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. Lessee waives any right to trial by jury on any issues or claims arising under this Lease.

30. Notice. All communications under this Lease shall be in writing or by a telecommunications device capable of creating a written record, and any such notice shall become effective (a) upon personal delivery thereof, including, without limitation, by overnight mail and courier service, (b) five (5) days after the date on which it shall have been mailed by United States mail (by certified mail, postage prepaid, return receipt requested), or (c) in the case of notice by such a telecommunications device, when properly transmitted, addressed to each party at the following addresses:

 If to Lessor:

 Allied Enterprises, Inc.
 107 N. Commercial Street
 Springdale, Arkansas 72764
 Attention: J. A. Hannold .
 Fax No. (501) 751-2225

 If to Lessee:

 Arkansas and Missouri Railroad Company
 107 N. Commercial Street
 Springdale, Arkansas 72764
 Attention: R. P. Hannold
 Fax No. (501) 751-7603

or to any such other address as may be given by any party to the other party by notice pursuant to the provisions of this paragraph 30.

31. Severability. Any term, condition or provision of this Lease or any rider hereto which is, or is deemed to be, void, prohibited, or unenforceable in any jurisdiction is, as to such jurisdiction severable herefrom or therefrom, and is ineffective to the extent of such avoidances, prohibition and unenforceability without in any way invalidating the remaining terms, conditions and provisions hereof or thereof. Any such avoidance, prohibition and unenforceability in any jurisdiction does not invalidate or render unenforceable such term, condition or provision in any other jurisdiction.

32. Entire Agreement. This Lease contains the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, understandings and representations, oral or written. No modification, limitation or release of any of the terms and conditions contained herein shall be made except by mutual agreement to that effect in writing and signed by the parties hereto.

33. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. It shall not be necessary for every party hereto to sign each counterpart but only that each party shall sign at least one such counterpart.

34. Headings. The paragraph headings contained in this Lease are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Lease.

IN WITNESS WHEREOF the parties hereto have caused this Lease to be executed by their respective duly authorized officer as of the day and year first above written.

ALLIED ENTERPRISES, INC.

ARKANSAS AND MISSOURI
RAILROAD COMPANY

By: J. R. Hannold

Name: J. R. Hannold

Title: Pres

By: R. P. Hannold

Name: R. P. HANNOLD

Title: Vice Pres. & CMO

STATE OF ARKANSAS)
)
)
)
COUNTY OF WASHINGTON)

SS:

On this 10th day of August, 1993, before me personally appeared J.A. Hannold, to me personally known, who being duly sworn, says that he is President of ALLIED ENTERPRISES, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Victoria L Morgan
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 02-01-2002

STATE OF ARKANSAS)
)
)
)
COUNTY OF WASHINGTON)

SS:

On this 10th day of AUGUST, 1993, before me personally appeared R.P. Hannold, to me personally known, who being duly sworn, says that he is Vice Pres. & CMO of ARKANSAS AND MISSOURI RAILROAD COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Victoria L Morgan
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 02-01-2002

STATE OF ARKANSAS)
)
)
)
COUNTY OF WASHINGTON)

SS:

On this 10th day of AUGUST, 1993, before me personally appeared J.A. HANNOLD, to me personally known, who being duly sworn, says that he is President of ALLIED ENTERPRISES, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Victoria L Morgan
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 02-01-2002

STATE OF ARKANSAS)
)
)
)
COUNTY OF WASHINGTON)

SS:

On this 10th day of AUGUST, 1993, before me personally appeared R.P. Hannold, to me personally known, who being duly sworn, says that he is Vice Pres. & CMD of ARKANSAS AND MISSOURI RAILROAD COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Victoria L Morgan
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 02-01-2002

**RIDER 2 TO RAILROAD EQUIPMENT LEASE (the "LEASE")
BETWEEN ALLIED ENTERPRISES, INC. AND
ARKANSAS AND MISSOURI RAILROAD COMPANY
DATED ____ AUGUST ____, 1993**

DATE OF RIDER: JANUARY 01, 1994

NUMBER OF CARS AND CAR TYPE: SIXTY-NINE (69) 50 FT. XM
BOXCARS

CAR MARKS AND NUMBERS: AS SHOWN ON ATTACHED SCHEDULE 2

LEASE COMMENCEMENT DATE: FROM ACCEPTANCE OF CARS BY ARKANSAS
& MISSOURI RAILROAD COMPANY.

LEASE TERMINATION DATE: SIXTY (60) MONTHS FROM AVERAGE DATE
OF ACCEPTANCE.

PAYMENT FREQUENCY: MONTHLY

RENT PAYMENT: \$450.00 PER CAR

PAYMENT INSTRUCTIONS: AS PER LEASE

CASUALTY VALUE: PER ATTACHED SCHEDULE 1

PERMISSIBLE COMMODITIES/SERVICE: AS PER LEASE

RESTRICTIONS ON USE: AS PER LEASE

DELIVERY LOCATION: VARIOUS POINTS, AS CARS ARE PRESENTLY IN
SERVICE.

RETURN LOCATION: SPRINGDALE, AR

ADDITIONAL RETURN PROVISIONS: NONE

**AGREED THIS 1ST. DAY OF JANUARY, 1994, BY AND BETWEEN ALLIED
ENTERPRISES, INC. AND ARKANSAS AND MISSOURI RAILROAD.**

**THE LEASE REFERENCED ABOVE AND THIS RIDER #2 SUPERCEDES THAT
CERTAIN LEASE AGREEMENT DATED MARCH 10, 1993, BY AND BETWEEN
CHRYLSE RAIL TRANSPORTATION CORPORATION AND THE ARKANSAS AND
MISSOURI RAILROAD COMPANY, AND ANY RIDERS THERETO, INCLUDING,
BUT NOT LIMITED TO, RIDER #1 DATED MARCH 10, 1993.**

ALLIED ENTERPRISES INC.

BY: _____

NAME: _____

TITLE: _____

ARKANSAS & MISSOURI
RAILROAD COMPANY

BY: _____

NAME: _____

TITLE: _____

SCHEDULE 1 TO RIDER 2 TO
RAILROAD EQUIPMENT LEASE

CASUALTY VALUES

69 50-foot boxcars

Interest Rate = 7.49 percent

<u>Month of Lease</u>	<u>Amount Per Car</u>
1.	\$13,809
2.	13,608
3.	13,415
4.	13,218
5.	13,022
6.	12,822
7.	12,623
8.	12,424
9.	12,220
10.	12,018
11.	11,812
12.	11,607
13.	11,400
14.	11,185
15.	10,977
16.	10,764
17.	10,552
18.	10,337
19.	10,123
20.	9,907
21.	9,687
22.	9,469
23.	9,247
24.	9,025
25.	8,802
26.	8,574
27.	8,348
28.	8,119
29.	7,891
30.	7,659
31.	7,427
32.	7,194
33.	6,958
34.	6,721
35.	6,482
36.	6,243
37.	6,002
38.	5,756
39.	5,512
40.	5,265
41.	5,018
42.	4,768
43.	4,518
44.	4,266

45.	4,011
46.	3,756
47.	3,498
48.	3,239
49.	2,979
50.	2,715
51.	2,452
52.	2,186
53.	1,919
54.	1,650
55.	1,379
56.	1,107
57.	833
58.	557
59.	279
60.	279

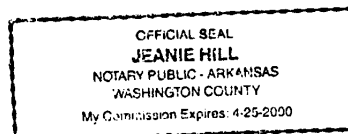
and until such time as the Cars are
returned to Lessor in accordance with the
provisions of paragraph 13 of the Lease.

railequi.lls

STATE OF Arkansas

COUNTY OF Washington

SS:



On this 31st day of December, 1993, before me personally appeared J.A. Hannold, to me personally known, who being duly sworn, says that he is President of ALLIED ENTERPRISES, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jeanie Hill
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 4/25/2000

STATE OF Arkansas

COUNTY OF Washington

SS:



On this 31st day of December, 1993, before me personally appeared R.P. Hannold, to me personally known, who being duly sworn, says that he is Vice President of ARKANSAS AND MISSOURI RAILROAD COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jeanie Hill
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 4/25/2000

EXHIBIT B

Certificate of Acceptance

I have been appointed as the duly authorized representative of Arkansas and Missouri Railroad Company for the purpose of inspecting and accepting the Cars (as defined in the Lease). In such capacity, I do hereby certify that with respect to the Cars described below:

1. Each Car has been inspected and is in good order.
2. Based on my determination that each Car is in compliance with all applicable specifications, each Car is hereby accepted by [Lessee] for all purposes of the Lease.

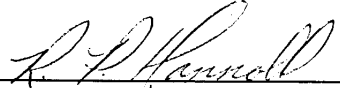
TYPE OF EQUIPMENT: 50 ft., Place C, XM, Boxcars

DATE OF ACCEPTANCE: December 1, 1993

NUMBER OF CARS: Sixty-Nine (69)

CAR MARK AND NUMBERS: AM 500-530, 532-558, 560-567, 570-572

ARKANSAS AND MISSOURI
RAILROAD COMPANY



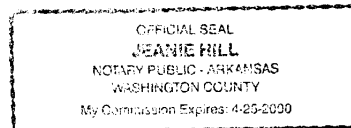
Title: Vice President

STATE OF Arkansas

)
)
)
)

SS:

COUNTY OF Washington



On this 31st day of December, 1993, before me personally appeared J.A. Hancock, to me personally known, who being duly sworn, says that he is President of ALLIED ENTERPRISES, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jeanie Hill
Notary Public

[NOTARIAL SEAL]

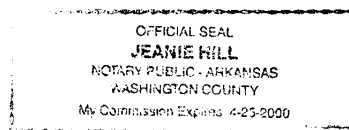
My Commission Expires: 4/25/2000

STATE OF Arkansas

)
)
)
)

SS:

COUNTY OF Washington



On this 31st day of December, 1993, before me personally appeared R.P. Hancock, to me personally known, who being duly sworn, says that he is Vice President of ARKANSAS AND MISSOURI RAILROAD COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jeanie Hill
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 4/25/2000

Exhibit K

ASSIGNMENT OF LEASE AND RENTS

THIS ASSIGNMENT, made as of the ____ day of _____ 1993, by Allied Enterprises, Inc. (hereinafter referred to as the "Company"), a Delaware corporation with its office and principal place of business at 107 N. Commercial Street, Springdale, AR 72764.

WITNESSETH:

The Company hereby grants, sells, assigns, transfers and sets over unto Deutsche Credit Corporation (the "Lender") all of the Company's right, title and interest in and to that certain railroad car lease agreement dated August 10, 1993, between the Company (as lessor), and the Arkansas and Missouri Railroad Company and specifically, Rider 2 thereto, (hereinafter, the "Lessee"), and to all rents, renewal rents, proceeds of settlement for cars thereto listed in Exhibit A attached hereto and hereby made a part hereof (hereinafter, the "Cars") which are lost, destroyed or damaged beyond repair and all other sums due and to become due under and pursuant to or by reason of the above described lease. This Assignment covers and includes all amendments and supplements to and renewals of the above-described lease at any time made (said lease including all amendments and supplements hereinafter shall be called the "Lease").

This Assignment is given and intended as continuing collateral security for the payment of any and all indebtedness of the Company to the Lender as follows: all obligations of the Company to the Lender now existing or hereafter arising, as provided for in that certain Loan and Security Agreement dated _____, 1993 (the "Loan Agreement"), and in that certain Promissory Note in the aggregate principal amount of \$966,000.00 executed and delivered or to be executed and delivered by the Company to the Lender (the "Promissory Note"), including without limitation any and all interest thereon and expenses therefor and any and all extensions and/or renewals of such obligations, all of the foregoing hereinafter being called the "Obligations", whether Obligations shall at any time or from time to time have been reduced or paid in full and thereafter increased or reincurred, and no renewal of, or extension of time of payment of the Obligations or evidence of indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect this Assignment or the security afforded hereby, save payment in full by the Company to the Lender of any and all Obligations of the Company to the Lender arising under the Promissory Note, while no default exists under any of the other provisions thereof. If such payment in full is made by the Company while no such default exists or if any such payment in full is made while any default exists and all such defaults are subsequently corrected by the Company, the Company shall be entitled to have this Assignment discharged.

This Assignment is made upon the express understanding and agreement that the Lender assumes no responsibility for the performance of the Company's obligations under the Lease; shall in no event be liable to the Lessee for the failure on the part of the Company to comply with or perform any of the Company's Obligations under the Lease; and shall in no way be held to have assumed or

become liable for compliance with or performance of any covenant binding upon the Company, but the Company shall continue to be bound by all such obligations and covenants.

The Company does hereby irrevocably constitute and appoint the said Lender its true and lawful attorney with full power of substitution, for it and in its name, place and stead, to ask, demand, collect, receive, demand receipt for, sue for, compound and give acquittance for any and all amounts which may be or become due or payable for the Cars under the Lease with full power to settle, adjust or compromise any claim thereunder as fully as the Company could itself do, and to endorse the name of the Company on all negotiable instruments given in payment or in part payment thereof, and in its discretion, to file any claim or take any action or proceeding, either in its own name or in the name of the Company, or otherwise, which the Lender may deem necessary or appropriate to collect any and all sums which may be or become due or payable under the Lease, or which may be necessary or appropriate to protect and preserve the right, title and interest of the Lender in and to such moneys and the security intended to be afforded hereby.

The Company authorizes and directs the Lender to notify the Lessee of this Assignment and, upon the occurrence of an event which with notice, lapse of time, or both would be an event of default under the terms of the Loan Agreement or the Promissory Note, to direct the Lessee to make all payments of all sums due or to become due under the Lease, including without limitation, payment of rental and payments for Cars lost, destroyed or damaged beyond repair, directly to Lender. Any such payments received by the Company after the occurrence of an event which with notice, lapse of time or both, would be an event of default under the terms of the Loan Agreement or Promissory Note, shall be received as an agent for the Lender; shall be held in trust by the Company for the Lender; shall be delivered to the Lender in the same medium as received by the Company; shall under no circumstances at any time be commingled with any funds of the Company, and shall be forwarded to the Lender on the day of their receipt by the Company unless received too late for forwarding on such day, in which event they shall be forwarded on the next business day.

The Lender shall not be obligated to collect any of the rentals or other sums of money hereby assigned and the failure on the part of the Lender to collect the same shall not in any way affect any indebtedness or liabilities of the Company to the Lender and/or in any way affect any security therefore.

No renewal or extension of any or all of the indebtedness secured hereby shall operate to waive, alter, vary, affect or annul this Assignment or the security afforded hereby. Nothing herein contained shall operate as or be deemed to be an extension of the time of payment of the indebtedness secured hereby or to in any way affect any rights, powers or remedies of the Lender contained in the obligations evidencing such indebtedness or loan agreements regarding such indebtedness.

No delay by the Lender in exercising, or failure by the Lender to exercise, or partial or single exercise by the Lender of any right or power hereunder shall

preclude any other or further exercise thereof or of any other right or power. The rights and remedies of the Lender as specified herein are cumulative and not exclusive of any other rights and remedies which the Lender may otherwise have.

This Assignment and all representations, warranties, covenants, powers and rights herein contained shall bind and shall inure to the benefit of the parties hereto and their respective successors and assigns.

The parties hereto agree that this Assignment of Lease and Rents and the acts of the parties hereunder shall be construed and interpreted in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, each of the parties hereto has caused these presents to be executed in its corporate name and under its corporate seal by its corporate officer thereunto authorized this ____ day of _____, 1993.

ALLIED ENTERPRISES, INC.

By: _____

Title: _____

DEUTSCHE CREDIT CORPORATION

By: _____

Title: _____

By: _____

Title: _____

STATE OF)
)
COUNTY OF) SS.

On this ____ day of _____, 1993, before me personally appeared _____ to me personally known, who being by me duly sworn that he/she is the _____ of _____, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(SEAL)

My commission expires:

STATE OF _____)
)
COUNTY OF _____) SS.

On this ____ day of _____, 1993, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of DEUTSCHE CREDIT CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(SEAL)

EXHIBIT A
(TO ASSIGNMENT OF LEASE & RENTS)

Sixty Nine (69) Fifty Foot Seventy Ton Boxcars:

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	500	NONE	NONE
AM	501	NONE	NONE
AM	502	NONE	NONE
AM	503	NONE	NONE
AM	504	NONE	NONE
AM	505	NONE	NONE
AM	506	NONE	NONE
AM	507	NONE	NONE
AM	508	NONE	NONE
AM	509	NONE	NONE
AM	510	NONE	NONE
AM	511	NONE	NONE
AM	512	NONE	NONE
AM	513	NONE	NONE
AM	514	NONE	NONE
AM	515	NONE	NONE
AM	516	NONE	NONE
AM	517	NONE	NONE
AM	518	NONE	NONE
AM	519	NONE	NONE
AM	520	NONE	NONE
AM	521	NONE	NONE
AM	522	NONE	NONE
AM	523	NONE	NONE
AM	524	NONE	NONE
AM	525	NONE	NONE

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	526	NONE	NONE
AM	527	NONE	NONE
AM	528	NONE	NONE
AM	529	NONE	NONE
AM	530	NONE	NONE
AM	532	NONE	NONE
AM	533	NONE	NONE
AM	534	NONE	NONE
AM	535	NONE	NONE
AM	536	NONE	NONE
AM	537	NONE	NONE
AM	538	NONE	NONE
AM	539	NONE	NONE
AM	540	NONE	NONE
AM	541	NONE	NONE
AM	542	NONE	NONE
AM	543	NONE	NONE
AM	544	NONE	NONE
AM	545	NONE	NONE
AM	546	NONE	NONE
AM	547	NONE	NONE
AM	548	NONE	NONE
AM	549	NONE	NONE
AM	550	NONE	NONE
AM	551	NONE	NONE
AM	552	NONE	NONE
AM	553	NONE	NONE
AM	554	NONE	NONE
AM	555	NONE	NONE
AM	556	NONE	NONE
AM	557	NONE	NONE

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	558	NONE	NONE
AM	560	NONE	NONE
AM	561	NONE	NONE
AM	562	NONE	NONE
AM	563	NONE	NONE
AM	564	NONE	NONE
AM	565	NONE	NONE
AM	566	NONE	NONE
AM	567	NONE	NONE
AM	570	NONE	NONE
AM	571	NONE	NONE
AM	572	NONE	NONE

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EXHIBIT D

PROMISSORY NOTE

\$ 966,000.00 Springdale Arkansas
(Principal) (City) (State) (Date)

FOR VALUE RECEIVED, the undersigned Maker (if more than one, jointly and severally) promises to pay to the order of Deutsche Credit Corporation, its successors or assigns, (herein after referred to as Holder) at 2333 Waukegan Road Deerfield
(Address) (City)

Illinois 60015 or such other place the Holder hereof may, from time to time
(State) (Zip)

appoint, the principal sum of Nine Hundred Sixty Six Thousand 00/100 (\$ 966,000.00) Dollars, together with an interest charge of One Hundred Ninety Seven Thousand Nine Hundred Twenty Eight 00/100 (\$ 197,928.00) Dollars, which has been precomputed at an annual rate of 7.49 % on the unpaid balance. Principal and interest shall be payable in Sixty (60) consecutive equal Monthly installments of Nineteen Thousand Three Hundred Ninety Eight 80/100 (\$ 19,398.80) Dollars beginning the day of 19 and continuing each Month thereafter, until principal and interest are fully paid. Interest shall be calculated on the basis of the actual number of days elapsed over a year of 360 days.

Notwithstanding anything herein, or construed to the contrary, the Maker and Holder hereof agree that it shall not be deemed, construed or intended that this Note shall bear interest at a rate higher than the highest contract rate allowed by law in the state of Maker, or by federal law, whichever is greater.

All payments shall be in U.S. Dollars and shall be applied first to interest, then to principal.

Maker shall have the privilege to prepay, at any time, this Note in full, but not in part, by payment to the Holder hereof the then total outstanding unpaid principal balance of the Note, plus the accrued and unpaid interest thereon, as herein provided, plus a prepayment charge calculated as a percentage of the then total outstanding and unpaid principal balance in accordance with the following schedule: first (1st) year 3.5 %; second (2nd) year 3.0 %; third (3rd) year 2.0 %; fourth (4th) year 1.0 %; fifth (5th) year 0.5 %; sixth (6th) year 0.0 %; seventh (7th) year 0.0 %; eighth (8th) year 0.0 %; and, thereafter 0.0 %.

Year(s) for the purpose of calculating the prepayment charge shall mean the twelve (12) month period measured from the date hereof until the first anniversary date of the Note and each succeeding twelve (12) month period thereafter.

Loan and Security Agreement dated _____

This Note is secured by a ~~Security Agreement~~ Security Agreement and between Holder and Maker hereof, _____ Initial and is subject to the terms and conditions set forth therein.

In the event that any collateral which is the subject matter of the Security Agreement referenced herein, is sold, leased or otherwise disposed of by Maker, then, in such event, the Holder hereof may declare the then unpaid and outstanding principal balance, together with any interest unpaid thereon, immediately due and payable as hereinafter provided.

In the event that any payment of principal and/or interest is not paid when due, then the undersigned Maker agrees to pay, from the date of default, interest on the amount of the payment at the highest contract rate allowed by law in the state of the Maker, or federal law, whichever is greater, but in any event not to exceed ~~18% (18%)~~ percent per month, until paid in full. In the event that any payment of principal and/or interest is not paid when due, or if the Maker violates, breaches, or defaults in any of the terms, conditions or provisions hereof, or of the Security Agreement referenced herein, then the Holder hereof may declare the then outstanding principal balance, together with any interest unpaid thereon, immediately due and payable, and the undersigned Maker agrees to pay interest thereon, from the date of default, at a rate equal to the highest contract rate allowed by law in the state of Maker, or federal law, whichever is greater, but in any event, not to exceed ~~18% (18%)~~ percent per month. * (2%) _____ Initial

The undersigned Maker agrees to pay all expenses, including reasonable attorneys' fees, incurred in collecting any unpaid amount(s) due hereunder, by suit or otherwise, whether or not such amount(s) be accelerated.

The Maker, endorsers, guarantors and all parties to this Note hereby waive presentment for payment, demand, protest, notice of protest and notice of dishonor to each of them individually, and jointly to any or all of them. The Holder may extend the time of payment of this Note, postpone the enforcement hereof, grant any other indulgence and add or release any collateral or any party primarily or secondarily liable hereon without affecting or diminishing the Holder's rights or recourse, against the Makers, endorsers, guarantors and all parties to this Note, which right is hereby reserved to the Holder hereof.

Allied Enterprises, Inc.

(Maker) print

(Co-Maker) print

By: _____
(Signature)

By: _____
(Signature)

Title: _____

Title: _____

By: _____
(Signature)

By: _____
(Signature)

Title: _____

Title: _____

(Witness)

(Witness)

EXHIBIT L

ACKNOWLEDGMENT AND NOTICE OF ASSIGNMENT

To: Deutsche Credit Corporation
2333 Waukegan Road
Deerfield, Illinois 60015

Reference is made to a Lease dated _____, 1993 (the "Lease") between Allied Enterprises, Inc. (the "Lessor") and Arkansas and Missouri Railroad Company (the "Lessee") relating to the lease of certain railcars described in the Schedule attached hereto. Words and phrases not otherwise defined herein shall have the meanings assigned thereto in the Lease.

Lessee has been notified by Lessor, that Lessor has assigned, transferred, and granted a security interest in the Lease to Deutsche Credit Corporation (the "Lender") as collateral security for obligations of the Lessor to the Lender under a Loan and Security agreement between Lessor and Lender, dated as of _____, 1993 (the "Loan Agreement").

Lessee, intending to be legally bound hereby and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Lessee, does hereby:

A. Acknowledge and consent to the assignment to Lender, for security purposes, of all Lessor's right, title, and interest, and claims and demands of Lessor in, under and to the Lease, including without limitation:

(i) to the extent set forth in the Loan Agreement and the Assignment of Lease and Rents, the immediate and continuing right to receive and collect all rental payments, casualty value payments, insurance proceeds and other payments, revenues, receipts, tenders and security now or hereafter payable to or receivable by Lessor with respect to the Railcars (as defined in the Loan Agreement) under the Lease;

(ii) to the extent set forth in the Loan Agreement and the Assignment of Lease and Rents, the right to make all waivers and amendments and to enter into any agreements relating to the Lease or any provisions thereof; and

(iii) to the extent set forth in the Loan Agreement and the Assignment of Lease and Rents, the right to take such action upon the occurrence of a default or event of default under the Lease as shall be permitted by the Lease or by law, and to do any and all other things whatsoever which Lessor is or may be entitled to do under the Lease.

B. Acknowledge and agree that, notwithstanding the assignment for security purposes by Lessor to Lender, the Lender has not assumed and does not assume the responsibility to discharge or perform any liability, duty or obligation of Lessor to be performed under the Lease and the Lessee agrees that it shall look solely to Lessor for the discharge, performance or satisfaction of any such liability, duty or obligation.

C. Acknowledge and consent to, and hereby agrees to comply with, according to its terms, the Financial Covenant set forth in Section A.6 of the Loan Agreement.

D. Represent and warrant that the Lease and this Acknowledgment of Notice and Assignment have been duly authorized, executed and delivered by the Lessee and constitute the legal valid and binding agreement of the Lessee enforceable against the Lessee in accordance with their respective terms.

E. Represent and warrant that no default, event of default or event which with the lapse of time or giving of notice, or both, would constitute a default or event of default under the Lease has occurred and is continuing.

F. Represent and warrant that it has made no prepayment of rental to the Lessor and that no offset or deduction exists with respect to Lessee's obligation to pay any sums payable by the Lessee under and pursuant to the terms of the

Lease.

G. If so directed by Lender and under payment instructions given in such direction by Lender, agree to make all payments to be made by it under the Lease directly to Lender at the following address, or such other address as Lender shall notify to Lessee in writing:

Deutsche Credit Corporation
2333 Waukegan Road
Deerfield, Illinois 60015

H. Represent and warrant that the document attached as Exhibit A hereto is a true, correct and complete copy of the Lease as amended, that such document has not since the date of its execution and delivery been further amended or modified in any aspect and that the Lease sets forth the entire agreement between the Lessor and Lessee with respect to the subject matter thereof.

This Acknowledgement of Notice and Assignment, when accepted by Lender by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of Illinois and, for all purposes, shall be construed in accordance with the laws of said state without regard to its conflicts of law doctrine.

ARKANSAS AND MISSOURI RAILROAD COMPANY

By: _____

Title: _____

ACCEPTED:

DEUTSCHE CREDIT CORPORATION

By: _____

Title: _____

STATE OF)
)
COUNTY OF) SS.

On this ____ day of _____, 1993, before me personally appeared _____ to me personally known, who being by me duly sworn that he/she is the _____ of _____, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(SEAL)

My commission expires:

STATE OF _____)
COUNTY OF _____) SS.

On this ____ day of _____, 1993, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of DEUTSCHE CREDIT CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(SEAL)

f:\tanya\legal3\acknow.agr

SCHEDULE TO ACKNOWLEDGMENT & NOTICE OF ASSIGNMENT

Sixty Nine (69) Fifty Foot Seventy Ton Boxcars:

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	500	NONE	NONE
AM	501	NONE	NONE
AM	502	NONE	NONE
AM	503	NONE	NONE
AM	504	NONE	NONE
AM	505	NONE	NONE
AM	506	NONE	NONE
AM	507	NONE	NONE
AM	508	NONE	NONE
AM	509	NONE	NONE
AM	510	NONE	NONE
AM	511	NONE	NONE
AM	512	NONE	NONE
AM	513	NONE	NONE
AM	514	NONE	NONE
AM	515	NONE	NONE
AM	516	NONE	NONE
AM	517	NONE	NONE
AM	518	NONE	NONE
AM	519	NONE	NONE
AM	520	NONE	NONE
AM	521	NONE	NONE
AM	522	NONE	NONE
AM	523	NONE	NONE
AM	524	NONE	NONE
AM	525	NONE	NONE

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	526	NONE	NONE
AM	527	NONE	NONE
AM	528	NONE	NONE
AM	529	NONE	NONE
AM	530	NONE	NONE
AM	532	NONE	NONE
AM	533	NONE	NONE
AM	534	NONE	NONE
AM	535	NONE	NONE
AM	536	NONE	NONE
AM	537	NONE	NONE
AM	538	NONE	NONE
AM	539	NONE	NONE
AM	540	NONE	NONE
AM	541	NONE	NONE
AM	542	NONE	NONE
AM	543	NONE	NONE
AM	544	NONE	NONE
AM	545	NONE	NONE
AM	546	NONE	NONE
AM	547	NONE	NONE
AM	548	NONE	NONE
AM	549	NONE	NONE
AM	550	NONE	NONE
AM	551	NONE	NONE
AM	552	NONE	NONE
AM	553	NONE	NONE
AM	554	NONE	NONE
AM	555	NONE	NONE
AM	556	NONE	NONE
AM	557	NONE	NONE

CURRENT MARK	CURRENT NUMBER	NEW MARK (IF ANY)	NEW NUMBER (IF ANY)
AM	558	NONE	NONE
AM	560	NONE	NONE
AM	561	NONE	NONE
AM	562	NONE	NONE
AM	563	NONE	NONE
AM	564	NONE	NONE
AM	565	NONE	NONE
AM	566	NONE	NONE
AM	567	NONE	NONE
AM	570	NONE	NONE
AM	571	NONE	NONE

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EXHIBIT M

Certificate of Acceptance

I have been appointed as the duly authorized representative of Arkansas and Missouri Railroad Company for the purpose of inspecting and accepting the Cars (as defined in the Lease). In such capacity, I do hereby certify that with respect to the Cars described below:

1. Each Car has been inspected and is in good order.
2. Based on my determination that each Car is in compliance with all applicable specifications, each Car is hereby accepted by {Lessee} for all purposes of the Lease.

TYPE OF EQUIPMENT: Boxcars, 50 foot, Plate "C", 70 ton

DATE OF ACCEPTANCE:

NUMBER OF CARS: Sixty Nine (69)

CAR MARK AND NUMBERS: AM 500-530, 532-558, 560-567, 570-572

ARKANSAS AND MISSOURI
RAILROAD COMPANY

Title: _____

Exhibit N

ACORD - CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

Lincoln Insurance
1113 Commercial Drive
New Hartford, NY 13413

Springdale, AR 7270

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER **A** Pacific Insurance Co.
COMPANY LETTER **B** Phoenix Assurance Company
COMPANY LETTER **C**
COMPANY LETTER **D**
COMPANY LETTER **E**

COVERAGES

THIS IS TO INDICATE THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
GENERAL LIABILITY			GENERAL AGGREGATE \$
COMMERCIAL GENERAL LIABILITY			PRODUCTS COMPIOP AGG. \$
CLAIMS MADE OCCUR.			PERSONAL & ADV. INJURY \$
OWNER'S & CONTRACTOR'S PROT.			EACH OCCURRENCE \$5,000,000
Railroad Liability PRR002772	9/1/93	9/1/94	FIRE DAMAGE (Any one fire) \$
PROPERTY LIABILITY			MED. EXPENSE (Any one person) \$
ANY AUTO			COMBINED SINGLE LIMIT \$
ALL OWNED AUTOS			BODILY INJURY (Per person) \$
SCHEDULED AUTOS			BODILY INJURY (Per accident) \$
HIRED AUTOS			PROPERTY DAMAGE \$
NON-OWNED AUTOS			
GARAGE LIABILITY			
EXCESS LIABILITY			EACH OCCURRENCE \$
UMBRELLA FORM			AGGREGATE \$
OTHER THAN UMBRELLA FORM			
WORKER'S COMPENSATION			STATUTORY LIMITS
AND			EACH ACCIDENT \$
EMPLOYERS' LIABILITY			DISEASE--POLICY LIMIT \$
			DISEASE--EACH EMPLOYEE \$
OTHER			
B Inland Marine (Physical Damage)	E 33369	9/17/93 9/17/94	69 Boxcars # AM500-AM572 Valued at \$20,000 each

is listed as ADDITIONAL INSURED and LOSS PAYEE

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Charles Kyprie

ACORD 25-S (7/90)

CACORD CORPORATION 1990

Exhibit 0

LAW OFFICES

CYPERT, CROUCH, CLARK & HARWELL

111 HOLCOMB STREET

POST OFFICE BOX 1400

SPRINGDALE, ARKANSAS

72765-1400

COURTNEY E. CROUCH (1912-1975)
JAMES D. CYPERT
JAMES E. CROUCH
WILLIAM M. CLARK, JR.
CHARLES L. HARWELL
BRIAN L. SPAULDING

December 31, 1993

MAILING ADDRESS:
POST OFFICE BOX 1400

TELEPHONE
501/751-5222

TELECOPIER
501/751-5777

LESLIE L. REID
STANLEY W. LUDWIG
COUNSEL

Deutsche Credit Corporation
2333 Waukegan Rd.
Deerfield, IL 60015

Re: \$966,000. loan by Deutsche Credit
Corporation to Allied Enterprises,
Inc.

Ladies and Gentlemen:

We have acted as Arkansas counsel to Allied Enterprises, Inc. (hereinafter Borrower) in connection with the transaction evidenced by the documents (defined below). We have been requested by you as the Lender to render our opinion concerning certain matters.

For purposes of this opinion, we have examined such questions of law and fact as deemed necessary or appropriate and have examined the following documents (collectively, the "Documents"):

- a. Loan and Security Agreement dated the 29th day of December, 1993 to be executed between the Borrower and the Lender;
- b. Promissory Note dated the 29th day of December, 1993 to be executed by the Borrower to the Lender.

We have further examined:

- i. A copy of a "Certificate of Incorporation" of Borrower in the State of Delaware dated the 15th day of June, 1993.
- ii. A copy of a "Certificate of Authority to Foreign Corporation" issued to Borrower by the Secretary of State of the State of Arkansas on the 13th day of July, 1993.
- iii. A certificate from the officers of the Borrower dated 31st day of December, 1993.

- iv. A corporate certificate of resolution dated the 31st day of December, 1993.

Based on the foregoing and subject to the qualifications set forth herein below, it is our opinion, as of this date that:

1. Borrower is a corporation duly organized, validly existing and in good standing under the law of the State of Delaware and has full power and authority to own its property and carry on its business as currently conducted in the State of Arkansas and is duly qualified to do business in the State of Arkansas.

2. Borrower is conducting its business in such a manner as to comply with all applicable laws and regulations of the United States of America and in the State of Arkansas and any subdivision thereof and of all governmental agencies and authorities of the United States of America, the State of Arkansas and any subdivision thereof where the failure to so comply would have a material adverse effect on the business, present or perspective, or the operations, property, assets or condition, financial or otherwise, of Borrower.

3. Borrower has full power and authority to execute, deliver and perform the Loan and Security Agreement, and the Promissory Note.

4. The Loan and Security Agreement and the Promissory Note referred to herein to which Borrower is to be a party have been duly authorized by the Borrower and when executed and delivered by Borrower and assuming due authorization, execution, and delivery by the other parties hereto will constitute legal, valid, and binding obligations of Borrower enforceable against it and in accordance with their respective terms.

5. To the best of our knowledge, no authorization or approval or other actions by, and no notice filing with any governmental authority or regulatory body is required for due execution, delivery and performance by Borrower of the Loan and Security Agreement, and the Promissory Note to which Borrower will be a party; provided we give no opinion as to any authority or filing required with the Interstate Commerce Commission.

6. To the best of our knowledge, neither the execution, delivery or performance by Borrower of the Loan and Security Agreement, nor the Promissory Note referred to herein to which Borrower is or will be a party, nor compliance with the terms and provisions thereof, conflicts with or will conflict with or will result in a breach or violation of any of the terms, conditions or provisions of any law, governmental rule or regulation in the State of Arkansas or the charter documents, as amended, or by-laws, as amended, of Borrower or any order, writ, injunction or decree of any court or governmental authority against Borrower in the State of Arkansas or by which it or any of its properties is bound in the State of Arkansas, or of any indenture, mortgage or contract or other

agreement or instrument to which Borrower is a party or by which it or any of its properties is bound, or constitutes or will constitute a default hereunder or will result in the imposition of any lien not permitted hereby on any of its properties.

7. We hereby certify that the principal place of business of Borrower as of date hereof is 107 North Commercial Street, Springdale, Arkansas, 72764.

In rendering that the foregoing opinions, we assume:

- i. The genuineness of the signatures not witnessed; the authenticity of document submitted as originals; and the conformity to originals of documents submitted as copies.
- ii. The legal capacity of natural persons executing the documents.
- iii. That the documents actually described contain the mutual understanding of the parties and that there are no oral or written statements or agreements that modify, amend, or vary, or purport to modify, amend, or vary any term of the documents.
- iv. The accuracy and correctness of all representations, certificates and documents provided to us by the Borrower.

Should any of the information, documents, certificates, or facts that were presented to us by the officers be untrue or inaccurate, than that might materially alter the opinion expressed above. We advise you that no special investigation of relevant facts or circumstances have been made. If you have any reason to believe that any of the information relied upon in rendering this opinion is incorrect, inaccurate, or untrue, in any material respect, please advise us in writing immediately.

The opinions set forth above are subject to the following qualifications and limitations:

- a. The enforceability of documents may be subject to or limited by bankruptcy, insolvency, reorganization, arrangement, moratorium, other similar laws relating to or affecting the rights of creditors generally; and
- b. The enforceability of documents is subject to general principles of equity and some of the remedies provided for and set forth above may not be enforceable under Arkansas law.

This opinion assumes that the interest rate on the Promissory Note will not exceed the federal discount rate plus 5% on the date the Promissory Note is executed.

We hereby advise you that the opinions stated herein are based upon our knowledge of Arkansas law and any applicable federal law. We are qualified to practice law only in the State of Arkansas and we do not purport to be experts on or to express any opinion concerning any law other than the law of the State of Arkansas and applicable federal law.

We do not undertake to advise of any changes this relating to the above matters which may appear after this date or the date of the Certificates referred to above.

This opinion letter is of a confidential nature, solely for the use and benefit of Deutsche Credit Corporation in connection with the loan referred to above and is not to be revealed to or relied upon by any other party. Nor is it to be otherwise quoted without written notice to and written consent from this firm.

Kindest regards.

Sincerely,
CYPERT, CROUCH, CLARK & HARWELL



James E. Crouch

JEC/tv

EXHIBIT P

QUARTERLY COVENANT COMPLIANCE CERTIFICATE

Allied Enterprises, Inc. (the "Borrower") HEREBY CERTIFIES THAT this Certificate is furnished pursuant to Section A.4(17) of the Loan and Security Agreement dated as of _____ by and between the Borrower and Deutsche Credit Corporation, (the "Loan Agreement"). Unless otherwise defined herein, the terms used in the Certificate have the meaning assigned to them in the Loan Agreement.

As required by Section A.4(17) of the Loan Agreement, consolidated financial statements of the Borrower for the year ending _____, 19__ (the "Financial Statements"), prepared in accordance with generally accepted accounting principles consistently applied, accompany this Certificate. The consolidated financial statements of the Lessee also accompany this Certificate, to evidence compliance with Section A.6 of the Loan Agreement. The Financial Statements fairly presented the consolidated financial position of the Borrower as at the date thereof and the results of operations of the Borrower for the period covered, and when reviewed in conjunction with the consolidated financial statements of Lessee shall reflect compliance with Section A.6 of the Loan Agreements.

The activities of the Borrower during the period covered by that Financial Statements have been reviewed by the Chief Financial Officer or by employees or agents under his immediate supervision.

The Borrower is in compliance with the Loan Agreement.

WITNESS my hand this _____ day of _____, 19__.

Allied Enterprises, Inc.

By: _____

Title: _____

EXHIBIT Q

ANNUAL COVENANT COMPLIANCE CERTIFICATE

Allied Enterprises, Inc. (the "Borrower") HEREBY CERTIFIES THAT this Certificate is furnished pursuant to Section A.4(17) of the Loan and Security Agreement dated as of _____ by and between the Borrower and Deutsche Credit Corporation, (the "Loan Agreement"). Unless otherwise defined herein, the terms used in the Report have the meaning assigned to them in the Loan Agreement.

As required by Section A.4(17) of the Loan Agreement, consolidated financial statements of the Borrower for the year ending _____, 19__ (the "Financial Statements"), prepared in accordance with generally accepted accounting principles consistently applied, accompany this Certificate. The consolidated financial statements of the Lessee also accompany this Certificate, to evidence compliance with Section A.6 of the Loan Agreement. The Financial Statements fairly present the consolidated financial position of the Borrower as at the date thereof and the results of operations of the Borrower for the period covered, and when reviewed in conjunction with the consolidated financial statements of Lessee shall reflect compliance with Section A.6 of the Loan Agreements.

The Borrower hereby certifies it is in compliance with the financial covenants contained in the Loan Agreement as of the date hereof, the activities of the Borrower during the period covered by the Financial Statements have been reviewed by the undersigned who acts as outside independent auditors to the Borrower.

The Borrower is in compliance with the Loan Agreement.

WITNESS my hand this _____ day of _____, 19__.

[NAME OF AUDITORS]

By: _____

Title: _____